Annual Report on the Working of the Local Audit Department Bombay, for the year 1939-40

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No. L. 18/5—1727.

OFFICE OF THE ACCOUNTANT GENERAL,
Bombay, 1st August 1940.

From

THE ACCOUNTANT GENERAL,
Bombay ;

To

THE SECRETARY TO THE GOVERNMENT OF BOMBAY,
General Department.

Subject.—Annual Report on the working of the Local Audit Department for 1939-40.

Sir,

I have the honour to submit the Report of the Examiner, Local Fund Accounts, on the working of the Local Audit Department for the year 1939-40.

2. Observations of general interest which used to find a place at the end in previous years' Reports have now been set out in the opening Chapter instead. The special attention of Government is invited to these observations.

I have the honour to be,
Sir,
Your most obedient servant,
P. G. SHAH,
Accountant General.

ANNUAL REPORT ON THE WORKING OF THE LOCAL AUDIT DEPARTMENT, BOMBAY, FOR THE YEAR 1939-40.

Introductory.

1. *Personnel.*—Mr. R. D. Balvally was the Examiner of Local Fund Accounts practically throughout the year under review except for a month when the Assistant Examiner was the *locum tenens.* Mr. T. N. S. Ratnam was the Assistant Examiner and during his absence on leave for about three months, Mr. H. M. Shah, a Senior Auditor, officiated.

The permanent subordinate personnel consisted of 15 Senior Auditors, 33 Clerks (inclusive of 2 typists and a leave reserve of 5 Clerks) and 22 peons. In addition 2 Senior Auditors, 3 Clerks and 3 peons were borne on the temporary strength.

2. *Cost of the Department.*—The gross cost of the Department was Rs. 2,13,450 (*vide* details in Appendix I) ; a sum of Rs. 39,072 was recovered as audit fees and credited to Provincial Revenues.

3. *Work of the Department.*—Last year's arrears comprised 167 audits representing 947 days' work for a party of one Senior and one Junior Auditor. At the close of the year, these were reduced to 57 audits representing 419 days' work. With the continuance of the temporary addition to the establishment it is expected that the arrears will be wiped off during 1940-41.

Six hundred and eight audits were entrusted to the Department (*vide* Appendix II) ; of these 226 are governed by the Local Fund Audit Act, Bombay, 1930. During the year 23 new audits were added while the accounts of 143 institutions ceased to be audited, the bulk of the latter being Taluka Local Boards which ceased to function from 1st April 1938.

4. *Inspection by Officers.*—The Examiner was on tour for 179 days and inspected the accounts of 108 local bodies. Forty-nine local inspections were conducted by the Assistant Examiner during his tours aggregating 65 days.

CHAPTER I.

General Remarks.

It is a matter of regret that no appreciable improvement was noticed in the financial administration of the local bodies during the year under report and almost all the defects referred to in Chapter VIII of the last year's Report still exist. The succeeding chapters of this Report record only typical and important cases of financial maladministration, while details of the various defects and irregularities have been communicated to the local bodies and to the Commissioners and Collectors in the individual Audit Notes.

2. *Finance.*—With very few exceptions the financial position of most of the local bodies, especially the smaller municipalities, is very discouraging and some of them are on the verge of bankruptcy. Reluctance to impose fresh and additional taxation and gross negligence in the recovery of arrears of taxes have contributed to the deterioration. To avoid financial breakdown some of these bodies have had to resort to temporary expedients like postponing liquidation of obligatory liabilities including the pay of establishment, or diversion to general purposes of trust or other earmarked funds. Suggestions for improvement of the finances or for effecting economy have been issued in Audit Notes and Inspection memoranda for the consideration of local bodies.

3. *Disposal of Audit Notes.*—Though it should be admitted that some improvement was noticeable during the year in the disposal of Audit Notes within the statutory period of three months from the date of their receipt, the long list of defaulters shown in Appendix IV is still somewhat discouraging. In 16 cases the period of delay exceeded three months. The requirements of section 10 (*4*) of the Local Fund Audit Act making it obligatory for the local bodies to publish locally extracts of Audit Notes and the replies thereto were disregarded by several local bodies.

4. *Establishment.*—In Appendix V are listed local bodies which unauthorizedly created new posts or increased the pay of existing ones without obtaining the requisite sanctions under the statutory provisions of the relevant Acts. Numerous instances were also noticed of municipalities withholding increments of the staff for no recorded reasons or paying them at less than the sanctioned scales of pay—*vide* Part II of the same Appendix. It has been pointed out to these local bodies that this action—except in justifiable cases —might discourage the staff and might also lead to inefficiency.

5. *Breaches of rules, orders, etc.*—Statements IV and X of Appendix III reveal the numerous cases in which the local bodies failed to observe the requirements of Government orders. In spite of repeated instructions for the investment of the Provident Fund monies in public securities mentioned in section 20 (*c*) and (*d*) of the Trusts Act as required by G. M., G. D., No. 216/33, dated 19th January 1937, several local bodies, *vide* Appendix VI, still persist in their unauthorized investments.

Several cases in which the local bodies incurred expenditure on public ceremonies, receptions, presentation of addresses, etc., without proper sanction or paid gratuities to surviving relatives of deceased employees without framing rules have been reported for recoveries in the individual Audit Notes.

6. *Surcharge.*—Numerous cases have been reported to the Commissioners for charge or surcharge under the Local Fund Audit Act and their orders are awaited. The orders of surcharge finally issued by the Commissioner, Central Division, have reference to the cases mentioned below :—

(*a*) *Satara City Borough.*—On an incorrect report of the *ex*-Chief Officer that steel pipes worth Rs. 22,282 were received as

per order, from the suppliers in Bombay in January 1934, the Municipality borrowed the amount as loan on 21st January 1934 to meet the claim. Due to shortages subsequently noticed and made good, the payment to the suppliers of the steel pipes was actually made only after 3 months and 21 days and the Municipality had unnecessarily to pay Rs. 480 as interest on the borrowings for the intervening period. The Commissioner, Central Division, therefore ordered that Rs. 480 should be charged under section 11 of the Local Fund Audit Act against the *ex*-Chief Officer on account of whose negligence the Municipality had to suffer that loss.

(*b*) *Yeola Municipality.*—A sum of Rs. 175 was certified by the Commissioner, Central Division, under section 11 of the Local Fund Audit Act for surcharge against 17 councillors for having deliberately evaded taking requisite previous sanction of the Collector under section 56 (*m*) of the District Municipal Act and authorizing illegal payments.

7. *Other general observations pertaining to municipalities.*—Repeated suggestions in audit for the early preparation and revision of assessment list and for recovery of outstandings by free resort to coercive measures provided in the Act have had no effect at all. Delay in this direction means delay in the issue of bills, notices and warrants and the consequent accumulation of heavy arrears at the end of each year. Barring a few exceptions like Alandi and Khed (which had absolutely no arrears) and Jambusar, Mahableshwar, Bulsar, Dapoli Notified Area Committee, Vita and Mehmedabad which had arrears below 2 per cent. among district municipalities, and Amalner and Sholapur (arrears less than 10 per cent.) among borough municipalities, the arrears of taxes were heavy in most of the municipalities—the worst instances being Sindkheda (since abolished), Honavar, Indapur, Lonand Notified Area Committee, Yawal, Faizpur and Yeola which had arrears exceeding 60 per cent. among the district municipalities, and Malegaon and Dharwar (arrears exceeding 50 per cent.) among the borough municipalities. The councillors did not in some cases seem to realise their civic responsibilities and far from setting a good example to other tax-payers, they were themselves in arrears. The provision in the Act for their disqualification after a special notice of demand had been served on them has practically remained a dead letter owing to the executive's reluctance to resort to such a step. Perhaps the remedy suggested by the Kale Committee that failure of the members to pay the taxes at the end of the year should entail their automatic disqualification might improve the position.

Owing mainly to the inability of the smaller municipalities to maintain qualified overseers no effective check could be exercised on public works.

The administration of affairs in some of the bigger municipalities, e.g. Ahmedabad, Poona, Surat and Sholapur, was generally speaking, satisfactory.

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8. *Other general observations pertaining to Local Boards.*—The administration of most of the District Local Boards has been satisfactory. More effective supervision is however necessary over the cattle-pounds as several frauds were noticed during the year.

CHAPTER II.

Municipal Boroughs.

1. Out of 28 Municipal Boroughs in the Province, the accounts of 24 were audited during the year. The accounts of 20 Municipal Boroughs were inspected by the Examiner or the Assistant Examiner. A sum of Rs. 56,282 (including cash recoveries of Rs. 229 effected during the course of audit) representing unauthorised disbursements was ordered for recovery.

2. The Pandharpur Municipal Borough was superseded during the year for maladministration.

The following are the more important irregularities noticed in audit:—

Accounts Irregularities.

(1) *Unsound financial policy and defective budgeting.*

Central Division.

3. *Malegaon.*—The expenditure of the Municipality for 1937-38 and 1938-39 exceeded its income during these years, with the result that payment to school teachers had to be held up during October 1939.

4. *Nasik.*—(*i*) The liabilities on 31st March 1939 exceeded the assets by Rs. 2,38,701. Costly schemes undertaken without adequate provision of funds depleted the finances of the Municipality so much so that the Municipality was unable to pay the annual instalment of loan borrowed from its Depreciation Fund and it diverted the accumulations in the Provident and the Pilgrim Funds for general purposes. A loan was taken from the School Board for payment of wages to the Municipal staff and the liability on account of outstanding bills alone exceeded Rs. 1,00,000. The Municipality even went to the extent of unauthorizedly pledging its revenues in advance as security for payment of the cost of cement valued at Rs. 60,000 purchased for its roads. The Municipality was advised to devise ways and means to improve its finances which are verging on bankruptcy.

(*ii*) The subscriptions of employees to the Provident Fund were utilised for meeting the normal expenditure and the Municipal contribution to the Fund was not paid.

(2) *Breaches of Acts, Rules and Standing Orders of Government.*

Northern Division.

5. *Ahmedabad.*—(*i*) Out of the loan of Rs. 14 lakhs raised for the Relief Road Scheme a sum of Rs. 6,42,536-13-6 including interest was transferred to the General Fund and the Water Works and Drainage Loan Security Fund for recouping the expenditure incurred out of those funds prior to the raising of the loan. As this is not permissible under the Local Authorities' Loans Act and the rules thereunder a recredit to the loan fund has been suggested.

(*ii*) The accumulations in the Water Works and Drainage Depreciation Funds were invested in Municipal debentures of the face value of Rs. 2,22,000 instead of in public securities as required by G. R., G. D., No. 1001, dated 15th March 1934.

Central Division.

6. *Jalgaon.*—(*i*) Contrary to the orders of Government this Municipality also invested the balances of the Depreciation and the Repairs Funds in its own debentures.

(*ii*) Though the rate of interest to be allowed on Provident Fund accumulations as per Provident Fund Rules was 3½ per cent interest was credited to the personal accounts of the subscribers at 1$\frac{15}{16}$ per cent., 1$\frac{3}{8}$ per cent. and 2¼ per cent. only for the years 1936-37, 1937-38 and 1938-39 respectively.

7. *Poona Suburban.*—(*i*) Due to failure in assessing buildings newly constructed or improved during the year and in issuing timely notices to the owners thereof as required by sections 81 and 82 of the Act, revenue aggregating Rs. 270 was lost.

(*ii*) Government sanction to the amendment of the schedule of house-tax to the effect that the assessment of buildings, other than residential quarters, belonging to mills and factories shall be based on the capital value instead of on the annual letting value was accorded in G. R., G. D., No. S-91(74), dated the 23rd October 1936 and notice under section 77 to levy the revised tax from 1st April 1937 was also published on 15th January 1937. But the revised tax on these buildings was actually levied from 1st April 1938 resulting in a loss of Rs. 2,512 for the year 1937-38. The Municipality has been asked to investigate and fix the responsibility for the loss.

(*iii*) Though under the rules, buildings used for educational, religious and charitable purposes are not exempt from the general water-rate, this tax is not levied on such buildings.

Southern Division.

8. *Belgaum.*—In 1911 the Municipality spent about Rs. 1,50,000 on a town-extension scheme and plots were sold on condition that buildings should be built within three years failing which the plots would be forfeited. Although over 25 years have now elapsed, about 50 plots have still remained unbuilt with the result that the Municipality is losing annually a large amount which would have accrued to it by way of taxes.

9. *Ratnagiri.*—The Municipality is a persistent defaulter in the assessment of houses newly constructed, altered, added to or reconstructed. Such buildings were assessed only from the year after with the result that there was loss of revenue to the Municipality.

(3) *Unsound Administration.*

Northern Division.

10. *Ahmedabad.*—(*i*) Slack supervision and failure to take steps for years together to recover the decretal amounts in respect of arrears of rents resulted in some of the decrees becoming time-barred. An enquiry into the reasons for the non-execution of the decrees has been suggested.

(*ii*) The bills for Wheel-tax leviable in respect of nightsoil carts maintained by some mills and factories from 1930-31 were issued in 1936-37. As recovery of the tax several years after it became due has been held to be illegal the Municipality has, in addition to the costs incurred by it in connection with the litigation, to refund also the tax recovered. The total loss on account of refund of tax and costs amounted to Rs. 1,211.

11. *Bandra.*—Though there were some councillors who were persistent defaulters in payment of dues no special notices were issued against them under section 28 (*1*) (*e*) of the Act in spite of repeated observations in audit.

12. *Nadiad.*—Slack supervision over the collection of taxes and consequent rapid accumulation of arrears were the disquieting features of the administration, the arrears rising from Rs. 23,997 on 31st March 1937 to Rs. 31,469 on 31st March 1938 and to Rs. 41,886 on 31st March 1939. In several cases, owners evaded with impunity the payment of taxes for periods ranging from 5 to 15 years due to failure on the part of the executive to take coercive measures and the tolerance of such conduct by the Board.

13. *Surat*—Arrears of taxes aggregating Rs. 21,115 were written-off as irrecoverable without seriously enquiring whether there was any negligence on the part of the staff and without attempting to fix the responsibility even in a single case. Writes-off of large amounts have become an annual feature of this Municipality though the advisability of carefully scrutinizing every case of write-off with a view to fix the responsibility, if any, for the non-recovery of taxes has been suggested in audit.

14. *Thana.*—(*i*) Notwithstanding repeated instructions in audit from 1933 onwards to take legal steps against the contractor whose failure to supply road materials had resulted in a loss of Rs. 305 to the Municipality, the Board delayed proceedings till 1938-39 and the claim became time-barred. Recovery of the loss from the persons responsible has been suggested in audit.

(*ii*) The right of collecting the produce from Municipal tanks was given out on contract but no contract bond was executed. The Municipality also failed to effect timely recoveries from the contractor who subsequently became insolvent. These omissions resulted in a loss of Rs. 715, recovery of which has been suggested from the persons responsible.

(*iii*) Though as the result of an enquiry suggested in audit, several cases of excess claims against the Municipality were reported by the Chief Officer to a sub-committee, the latter did not consider the report nor did the Municipality show any keenness to come to a decision in the matter. The excess claims relate to the year 1936-37 and have since become time-barred.

Central Division.

15. *Ahmednagar.*—Large sums of money, viz. Rs. 41,946 and Rs. 45,000 were spent on constructions without even ascertaining whether the lands built upon belonged to the Municipality.

16. *Jalgaon.*—(*i*) Although the contract for the scheme of overhauling the pipe distribution system included the resurfacing of roads and a rate of annas 4 per 100 sq. ft. was provided for this item, this work was done departmentally without the previous sanction of the Municipality. This resulted in a loss of Rs. 2,328 to the Municipal fund.

(*ii*) The contribution of Rs. 23,625 from general revenues paid into the Sinking Fund in connection with the loan of Rs. 2,40,000 for water works was invested in fixed deposits at 1½ per cent. instead of in public securities as required by rule 18(4) of the Local Authorities' Loans Rules. As the amount of the Sinking Fund contribution was fixed on the assumption that the accumulations in the Sinking Fund would improve at 3 per cent. the investment of fixed deposits at 1½ per cent. besides being unauthorised will result in a deficit.

(*iii*) Instead of repaying the loan of Rs. 1,64,300 by annual instalments to the debenture-holders according to the terms of the loan sanctioned by Government in G. R., G. D., No. 1162, dated 23rd August 1935, the Municipality started a Sinking Fund with annual payments of Rs. 3,286 and invested the amount for two years in a bank at interest ranging from 1½ to 2½ per cent. This resulted in a net avoidable loss of Rs. 312.

17. *Lonavla.*—While executing a warrant for the recovery of taxes, the motor car of a tenant in a house was attached and sold in auction for Rs. 130. The tenant filed a suit for wrongful distraint and damages and the Court passed a decree for Rs. 1,339

against the Municipality. Besides, the Municipality also spent Rs. 95 in defending the suit. The Court observed that the action for damages could well have been avoided had the responsible officers returned the car to the plaintiff before putting it to auction. Thus there was a loss of about Rs. 1,300 to the Municipality.

18. *Malegaon.*—(*i*) Several buildings newly constructed in 1937-38 and 1938-39 were not assessed till the year 1939-40. Recovery of the loss thus caused from the persons responsible has been suggested in audit.

(*ii*) Although the arrears on the 31st March 1939 aggregated Rs. 48,237 representing more than 50 per cent. of the total demand, no coercive measures for recovery were taken.

(*iii*) The Municipality gave effect to the reduced rates of Wheel-tax from 1st April 1933 instead of from 1st January 1934 as sanctioned by the Commissioner and wrote off Rs. 1,383-12-0 being the difference between the higher and the reduced rate for the period from 1st April 1933 to 31st December 1933 although (*i*) most of the persons thus benefited were well-to-do and included some Municipal councillors and (*ii*) there were no reasons for the write-off. The Municipality has been asked to rescind its resolution and recover the amount from the parties concerned or the persons responsibe.

19. *Nasik.*—(*i*) Without the administrative sanction of the Board and without any data regarding the institutions for which grants were payable, the President drew Rs. 1,000 on 31st March 1939 apparently to avoid lapse of budget provision and after paying Rs. 885 to four institutions refunded the balance to the Municipality on 1st July 1939.

(*ii*) The Standing Committee sanctioned a higher rate for certain items of work done by a contractor on the ground of alleged loss, though a similar work was done at a lower rate by another contractor. This transaction resulted in an overpayment of Rs. 217 which has been objected to in audit.

(*iii*) Against the book assets of Rs. 74,341 in the Depreciation Fund the cash available for immediate expenditure was Rs. 121 only.

(*iv*) Contrary to rules, Municipal employees were kept in some cases under suspension for indefinite periods without any reasons therefor and without an enquiry and then reinstated and paid in full for the entire period of suspension. In other cases they were dismissed without an opportunity being given them of being heard in their defence.

(*v*) Laxity in the assessment of taxes was noticed. Buildings constructed, altered or added to were not assessed during the year as required by section 82 (*3*) of the Act. Toll or wheel-tax due on several carts was not recovered. Similarly, several privies cleansed through Municipal agency were not assessed to the Special Sanitary Cess and though Dharamshalas were not exempted from the General Sanitary Cess they were not assessed.

20. *Poona City.*—In disregard of the principles regulating time-scales of pay, the Municipality sanctioned advance increments to 79 clerks with retrospective effect in all cases. The Municipality has been asked to justify its action.

21. *Poona Suburban.*—In connection with the illegal payment of gratuity of Rs. 4,750 paid to the Head Clerk (reported in paragraph (2) (B) (*d*) of Chapter I of the Annual Report for 1937-38), the Commissioner, Central Division, warned the Municipality severely for the irregularities committed in this case and particularly for its failure to refer the case, before actual payment, to the proper authority for orders as directed by this office. The Municipality was also warned that in the event of such irregularities being repeated, drastic measures would be adopted against the persons responsible.

22. *Sholapur.*—As a result of the fodder cartstand contractor's recovering unauthorised and exorbitant rates of fees from the cultivators who brought *Kadbi* into the City for sale, a rival cartstand sprang into existence. As the Municipality refused to prevent their contractor from recovering exorbitant rates, the Collector took no action in respect of the private cartstand. The contractor stopped the payment of instalments to the Municipality and submitted a counterclaim for loss sustained as a result of the private cartstand for which he himself was responsibile. In consequence, the Municipal dues of Rs. 2,552 were compromised and written down to Rs. 150, the balance of Rs. 2,402 being written-off. The sub-committee since appointed for investigating the write-off has been asked to expedite its report.

23. *Satara.*—(*i*) At the time of election in October 1937, the ex-Chief Officer noticed that in a number of cases the owners were receiving much more rent than was shown on the records of the Municipality. The Standing Committee did not however take steps to amend the list under section 82 (*1*) immediately after the discrepancies were noticed.

(*ii*) Due to failure to consult the Public Health Engineer before undertaking the Water Works Scheme in a particular line there was an avoidable loss of Rs. 1,576.

(*iii*) Although sanction to the levy of projection fees was accorded in G.R., G.D , No. 793, dated 3rd October 1921, the fees were not actually levied until 1st October 1936, the resultant annual loss being approximately Rs. 643 for about 14 years. The Municipality has been asked to fix the responsibility for the loss.

Southern Division.

24. *Belgaum.*—(*i*) Certain plots at the motor-stand were leased in open auction for five years from 1936-37 on a rent of Rs. 687 per annum on condition that the lessees paid 15 months' rent in advance and furnished adequate securities to make good any loss in the event of default on their part. Subsequently they resiled from

these terms and the plots were resold after 10 months. This resulted in a loss of Rs. 1,233 to the Municipality for the three years ending 1938-39. The Municipality took no action to recoup the loss sustained by it owing to the default but on the other hand refunded a sum of Rs. 524-6-0 realised from the bidders as earnest deposits.

(*ii*) The arrears of taxes and other dues which were only about Rs. 16,000 on 31st March 1935 increased to Rs. 43,300 at the end of 1938-39. Despite large and persistent increase, coercive measures of recovery adopted were negligible. Although some warrants were issued not a single one was executed.

(*iii*) The assessment and collection of Municipal revenues was practically left to the Revenue Daroga whose knowledge of English or of the provisions of the Act and Rules was negligible. The census of vehicles prepared by the collection clerks was not scrutinised by the Chief Officer and there were several omissions and wrong assessments. Previous permission to use buildings as hotels, tea-shops, etc., was not insisted upon and consequently there was considerable loss of the sullage water-tax which was not levied on such buildings. Though the arrears of ground rent pertained to periods ranging from 4 to 7 years prompt steps were not taken for their recovery.

25. *Bijapur.*—(*i*) Due to laxity in taking prompt measures for the recovery of taxes and other dues, it is estimated by the Municipality that arrears amounting to about Rs. 39,000 will have to be written-off for various reasons—e.g., being irrecoverable through lapse of time or difficulty in tracing assessees.

(*ii*) The right to collect fees in the Sunday Market was auctioned for Rs. 6,150. The contractor from whom neither an agreement nor security was obtained according to the conditions of the auction failed to fulfil the terms of the contract which was therefore terminated and the work of collection was done departmentally. This resulted in a loss of Rs. 1,550.

26. *Dharwar.*—Even six years after its issue, the whole objection statement for 1934-35 remained undisposed of and the President suggested that it be filed as action after such long time would merely be perfunctory and would serve no useful purpose.

27. *Hubli.*—(*i*) As the Municipality failed to respond in time to a notice issued by the Sub-Divisional Magistrate, Dharwar, under proviso to section 70 of the Bombay Municipal Boroughs' Act an order directing the Municipality to bear the maintenance charges of a lunatic who was not a resident in the Municipal limit was made by the Magistrate. This resulted in an avoidable recurring monthly liability of Rs. 11.

(*ii*) As the Municipality did not adopt the scales of pay fixed by Government in G. R., G. D., No. 1747, dated 26th March 1936 till December 1938, it could not claim subsidy on account of its Public Health staff for the first 9 months of the year 1938-39. This resulted in a loss of Rs. 1,926 to the Municipality for the year.

(4) *Losses, by fraud or negligence.*

Northern Division.

28. *Ahmedabad.*—A clerk in charge of the accounts of the Girls' High School misappropriated Rs. 1,005. The fraud was facilitated by complete lack of supervision and control over the work of the clerk. The closing balance on 31st March 1937 was not carried forward to the Day Book for 1937-38; the Day Books were incomplete and not signed by the Administrative Officer and the Accountant and the day-to-day balances were not worked out. There was also inordinate delay of 2 to 8 months in the disbursal of amounts drawn from the Municipal treasury. The clerk has been prosecuted.

29. *Kurla.*—In spite of the suggestions of this office to promptly execute the decree obtained by the Municipality in October 1930 against a contractor who then possessed immoveable property, the Municipality delayed the execution with the result that the claim for Rs. 440 became time-barred and was thus lost to the Municipality. Recovery of the loss from the persons responsible has been suggested.

30. *Nadiad.*—(*i*) In paragraph 4(A) (*c*) on page 15 of the Annual Report of 1937-38 a misappropriation of Rs. 705 by a tax collection clerk (since prosecuted and dismissed) was reported. On further enquiries by the Municipality among tax-payers the misappropriation has been found to increase as further proofs of payments made to the clerk and not credited by him to the Municipal funds are still coming in. Fixation of the responsibility for the entire absence of supervision which facilitated the fraud is under consideration.

(*ii*) Misappropriations and malpractices in cattle-pound accounts were frequent. One pound-keeper was dismissed and another was fined as many as eleven times but was still retained in service. Cattle-catchers were found to have received illegal gratification from owners of cattle and released the cattle.

(*iii*) A Nakedar misappropriated Rs. 30 collected by him from a tax-payer. This was detected after 8 months and the Nakedar was dismissed. The Clerk who was suspected of collusion in this affair was let off with a fine of Rs. 2 only.

(*iv*) Another clerk was found guilty of malpractices and in one instance he was *prima facie* guilty of misappropriating Rs. 25 received by him from a tax-payer on a kutcha receipt passed by him. But no action was taken as the clerk managed to persuade the tax-payer to pay up the amount again to the Municipality.

Several other cases of short credits were noticed. Obviously the reluctance to prosecute the culprits is to a great extent responsible for the numerous cases of malpractices in this Municipality. Mere dismissal or discharge in the case of low-paid servants has hardly had any deterrent effect.

Central Division.

31. *Malegaon.*—A large number of cases of misappropriations, tampering with accounts and delays in crediting collections were noticed. Action as prescribed under G.M., G.D., No. 693/33-A, dated 6th June 1935 for prosecution of culprits has been suggested.

32. *Nasik.*—The following cases of misappropriation and loss were noticed :—

(*i*) A Naka Clerk misappropriated octroi receipts by entering smaller amounts on the carbon duplicates of receipts. Although prosecution of the clerk was suggested in audit the Municipality contented itself with dismissing him.

(*ii*) A clerk was dismissed for alleged misappropriation of license fees received by him without a thorough investigation of the case. The fraud which was facilitated by lack of supervision was not reported to this office and to the Collector as required by rule 32 of the Local Fund Audit Rules.

(*iii*) The Provident Fund and establishment clerk increased the amount at the credit of his own provident fund account by Rs. 24, omitted to record in his service book the leave enjoyed by him and drew his increment although it was not due and was not sanctioned. On the matter being reported to the Board for consideration, the President ordered the papers to be filed and promoted the clerk as a Market Inspector!

(*iv*) A suit for the recovery of arrears of market rent of Rs. 18 was decreed for Re. 1 on the allegation of the defendant that no receipt was given to him for Rs. 17 paid to a Municipal clerk. The Municipality not only did not investigate the truth of the allegation but wrote-off Rs. 17 and did not take steps to recover the decretal amount of Re. 1.

33. *Dharwar.*—(*i*) Without the Commissioner's sanction, hand-spun and hand-woven " Khaddar " was exempted from terminal-tax from 1st September 1938. Recovery of the loss from the persons responsible has been suggested.

(*ii*) Instances of misappropriation by the Tax Inspector and a collection clerk were detected and both of them were prosecuted.

34. *Hubli.*—Owing to lack of supervision and check over the work of the tax-collecting staff, a clerk misappropriated Rs. 2,507-10-0 between the 25th May 1937 and 9th November 1938 by tampering with the receipts and altering the figures in the duplicates of receipts to smaller amounts. The clerk was prosecuted.

CHAPTER III.

District Municipalities and Notified Area Committees.

1. Out of 117 District Municipalities and Notified Area Committees, the accounts of 113 were audited during the year.

The accounts of 66 were inspected by the Examiner or the Assistant Examiner. Rs. 33,403, inclusive of cash recoveries of Rs. 1,183 effected during audit, on account of excess or unauthorized payments were ordered for recovery.

The following are the more important irregularities noticed in audit :—

ACCOUNTS IRREGULARITIES.

(1) *Unsound financial policy and defective budgeting.*

Northern Division.

2. *Modasa.*—The budgeted figures of receipts were found to have been unnecessarily inflated merely to balance the budges. The financial position of the Municipality is steadily deteriorating and verges on bankruptcy. The cash balance on 31st March 1939 was Rs, 67 only. The Municipal employees had sometimes to wait as long as three months for their pay. Other claims against the Municipality were also held up for want of funds.

Central Division.

3. *Faizpur.*—Against the cash balance of Rs. 1,950 on 31st March 1939, the outstanding liabilities amounted to Rs. 3,662. The budget estimates were also defective and inflated to a marked degree. Against the estimated receipts and expenditure of Rs. 62,455 and Rs. 63,610 the actuals were only Rs. 34,600 and Rs. 38,891 respectively.

4. *Jejuri.*—The financial position of the Municipality continued to be bad, the liabilities on 31st March 1939 exceeding the assets by Rs. 10,829. The Municipality has not yet taken any action on the audit suggestions of last year to find out ways and means to improve the finances.

5. *Karmala.*—The average annual expenditure exceeded the average annual income by over Rs. 6,000, the recurring deficits being met from past accumulations. The taking of prompt steps for the recovery of arrears and the levy of additional taxes with a view to improve its finances have been suggested to the Municipality.

6. *Mhaswad.*—The Municipality will be heading for a crisis unless it is urgently compelled to improve its financial position. On 31st March 1939, the cash balance was Rs. 149 only while the known liabilities amounted to Rs. 11,959. The Municipality has committed defaults in its obligatory duties by accumulating liabilities on account of primary education year after year, diverting for general purposes the toll and wheel-tax proceeds and the Provident Fund subscriptions and by not paying its contributions to the Provident Fund.

7. *Nandgaon.*—The expenditure of the Municipality exceeded its income during the past two years. Consequently the cash balance of over Rs. 20,000 built up in previous years was used up and in October 1939 even the pay of the Municipal establishment could not be paid. This poor state of the finances is mainly due to defective budgeting and laxity in recovery of dues.

8. *Rahimatpur.*—On 31st March 1939 the cash assets were Rs. 483 and the liabilities Rs. 12,353. On 31st March 1940, the cash assets were Rs. 2,685 and liabilities Rs. 14,921. This serious position is mainly due to the reluctance of the members to improve the finances for which ways and means were suggested in audit.

9. *Wai.*—The fluid assets of the Municipality were insufficient to meet the liabilities and the budget for 1939-40 was somehow balanced by reducing the real liabilities of the School Board by Rs. 12,000. The Municipality has not made any serious attempts to improve its financial condition. Ways and means towards this end have been suggested.

(2) *Breaches of Acts, Rules and Standing Orders of Government.*

Northern Division.

10. *Bulsar.*—Though the Act does not provide for payment of gratuity in such cases, a clerk was paid Rs. 619 on his so-called retrenchment which was nothing but posting him to a lower post on the abolition of his original post. The clerk still continues in service and the payment has been held under objection.

11. *Jambusar.*—A detailed revision of the assessment of house-tax has not been made for the last 20 years and out of 3,727 houses 1,063 are exempted. The necessity of completely revising the valuation of houses immediately has been pointed out in audit.

12. *Kapadwanj.*—(*i*) The Municipality engaged extra staff over and above the sanctioned establishment and paid them on muster to avoid sanction of the Commissioner under section 46(*b*) (*ii*) of the Act. The expenditure on such establishment amounted to Rs. 2477.

(*ii*) The quadrennial revision of the assessment list was made by an officer of the Government Revenue Department but his valuations were considerably reduced by the Revision Committee without assigning reasons. The taxes on properties belonging to several Municipal councillors were markedly reduced.

13. *Modasa.*—The quadrennial revision of the assessment list of house-tax due for 1938-39 was completed by the Special Revision Officer in October 1937 but due to party-factions the revised assessment list could not be enforced from 1938-39. The resultant loss of Rs. 1,372 for 1938-39 has been recommended to the Commissioner for surcharge against the persons responsible for the delay.

14. *Prantij.*—The Municipality has been persistently committing a default in respect of the quadrennial revision of the assessment list—the last one was done as far back as 1930-31—in spite of the mandatory provision in this respect in section 67 of the Act having been brought to its notice.

Southern Division.

15. *Alibag.*—The assessment list of the Municipality though required by the Act to be revised every four years has not been completely revised for a number of years.

(3) *Unsound Administration.*

Northern Division.

16. *Borsad.*—The administration of the Municipality leaves much to be desired. The Collector of Kaira had to intervene twice under section 174 (*1*) of the Act and cancel the Board's resolutions. The Municipality failed to take advantage of the Government scheme to employ a qualified Sanitary Inspector and get a subsidy equal to one-third of his pay.

17. *Kandivli Notified Area Committee.*—In spite of repeated instructions in audit and without obtaining legal advice as suggested by the Collector, the Committee persists in exempting rent-yielding buildings used as sanatoria from the payment of house-tax though the rules do not provide for such exemptions.

18. *Kapadwanj.*—Several Municipal plots were sold for an aggregate value of Rs. 63,981 between 1920 and 1922 but only Rs. 35,550 were realized till 31st March 1939. The full price was recovered in a few cases while in a majority of cases, only earnest money equal to one-fourth of the sale price was recovered.

19. *Rander.*—(*i*) Prosecutions were filed against certain persons by the Committee for offences under the District Municipal Act and pleaders were engaged but with the formation of the new Committee the prosecutions were withdrawn without recording any reasons, thus resulting in a waste of law charges already incurred.

(*ii*) The Appeal Committee whose only function is to attend to the disposal of appeals, assumed powers of a valuation officer and made wholesale revision of valuation witout any authority. Without assigning any reasons, the land rate of houses in several streets was reduced for purposes of assessment and it was increased in some cases. The cases of reduction included properties of four councillors, one of whom was a member of the Appeal Committee and voted for the reduction.

(*iii*) Without preparing an estimate for the work or obtaining technical advice from the Public Works Department and without inviting tenders for the work, roads of nearly 2½ miles in length were asphalted at a cost of Rs. 29,295 through a contracting firm. The Municipality had not even employed a qualified overseer and

the Road Committee appointed to supervise the work knew nothing of the technique of asphalt road-making. No regular measurements of work done were recorded and the expenditure was not susceptible of any check in audit. For want of technical supervision it cannot be said whether full value was realised for the amount spent on the work.

20. *Viramgam.*—The lowest rate of Re. 0-8-0 per maund of "Kadbi" offered by a merchant at the public auction was recommended to the Board for sanction by the Sanitary Committee on 15th January 1938 with the remark that early sanction may be accorded in the matter as the transaction was likely to benefit the Board to the extent of about Rs. 500. The question was however postponed by the Board at their first meeting held on 16th February 1938 and on 16th March 1938 a Sub-Committee was appointed for the purchase. The Sub-Committee started the matter afresh as if nothing had previously taken place and called for fresh rates. The purchase was made at Re. 0-11-0 per maund from others as the very merchant who had originally quoted the rate of Re. 0-8-0 quoted Re. 0-12-0 and this resulted in a loss of Rs. 342.

Central Division.

21. *Baramati.*—As a result of gross laxity of supervision over the work of the staff, there were certain losses of the Board's funds. The account registers were all incomplete. The arrears were mounting up and the collection work appeared to have been grossly neglected, no coercive measures having been taken against defaulters.

22. *Faizpur.*—(*i*) A temporary teacher whose services were dispensed with by the School Committee from 5th July 1938 was reinstated by the President on his own authority and kept in service till 3rd August 1938 notwithstanding the Board's resolution, dated 25th July 1938, disapproving of his action.

(*ii*) Although the Municipality had sanctioned withdrawal of the complaint against a certain tax-payer on the latter having tendered an apology, the President, on his own authority, persisted in the prosecution. The case was ultimately decided against the Municipality and the expenditure of Rs. 230 incurred on the prosecution after the date of the Board's resolution has been suggested for recovery from the President.

(*iii*) As a result of party-factions and the resignation of its Chairman, the Managing Committee ceased to function and there was dual control over the expenditure from Municipal funds from 2nd June 1938 to 15th August 1939. The President incurred expenditure on his own authority under a certificate that the amounts of the bills required to be spent for Municipal purposes; while the Vice-President incurred expenditure on the ground that the bills were signed by the majority of the councillors of the Managing Committee.

23. *Islampur.*—(*i*) The quadrennial revision of the assessment list due in 1934-35 was not carried out until 1937-38. The Municipality was warned by the Commissioner for this failure.

(*ii*) Practically the whole objection statement remained undisposed of, the Examiner's Inspection Note was not replied to and the disposal of previous Audit Notes and objection statements was perfunctory.

24. *Jejuri.*—The position as regards the recovery of dues was very bad. Not only were the warrants issued not executed by distraint of property but in one case even the property distrained was returned to the defaulter without recovering the Municipal dues. Laxity in taking coercive measures is resulting in the accumulation of heavy arrears.

25. *Lonand Notified Area Committee.*—Due to lack of proper supervision the accounts were in a chaotic state and audit was very much handicapped for want of proper records. Several vouchers were wanting and discrepancies in figures and dates of credit or debit of moneys were noticed. A thorough enquiry has been suggested.

26. *Mhaswad.*—The Municipality did not maintain a separate account of the Provident Fund contributions and also did not contribute its share to the Provident Fund. No interest was added to the amounts at credit of the subscribers whose contributions aggregating Rs. 789 were utilised by the Municipality for its general purposes.

27. *Nandgaon.*—Time-barred applications from rate-payers objecting to the assessment of taxes were entertained by the Municipality and the taxes on the houses of such rate-payers reduced. One of these applicants was the Chairman of the Managing Committee who also benefited by this illegal reduction in taxes.

28. *Sangamner.*—(*i*) Certain members actuated by personal motives made certain unauthorized appointments. On the supersession of the Municipality, the expenditure was condoned by the Commissioner.

(*ii*) Civil suits were filed by the staff against the Municipality for its illegal or irregular actions of dismissals or suspension. The cases were either decided against the Municipality or were compromised on the advice of Municipal pleaders. The expenditure which was a waste amounted to Rs. 4,358.

29. *Shahada.*—(*i*) Notwithstanding the orders of Government and the repeated instructions of the Commissioner, the Collector and this office, the Municipality still persists in paying its servants at rates less than the minimum of the scales of pay prescribed in the sanctioned schedule and in withholding increments long overdue without valid reasons.

(*ii*) Although the Commissioner refused to accord sanction to the entertainment of four additional teachers for the English school

maintained by the Municipality, the Municipality took no steps to discontinue the services of the teachers in question. The expenditure on these teachers has been held under objection.

30. *Shirpur.*—Due to unsatisfactory collection work, the arrears of taxes were steadily rising, those on the 31st March 1939 being Rs. 12,299 i.e. about 57 per cent. of the total demand and 107 per cent. of the annual demand for 1938-39. Hardly a dozen warrants were executed in 1937-38 and none at all in 1938-39. Though several councillors were in arrears of their dues, no special notices under section 15 (*2*) (*f*) were issued against them.

31. *Talegaon Railway Station Notified Area Committee.*—Due to slackness on the part of the Committee the assessment list for 1938-39 was not, in spite of specific instructions from the Commissioner and Collector, completed till October 1939 and no taxes were recovered at all for the year.

32. *Trimbak.*—Contracts for lighting Petromax lamps were given to a Municipal councillor but the contract bond was got executed in the name of his servant. The councillor has since been disqualified.

33. *Yawal.*—(*i*) Lack of supervision and want of control and check over the clerk's daily collection work facilitated temporary misappropriations and the clerk was found to have credited the amounts to the Municipal account subsequently by changing the dates in the carbon duplicates of receipts. The President suspended the clerk but the Municipality reinstated him after a mere warning which the Collector remarked was insufficient punishment for the offence.

(*ii*) Several irregularities in accounts were noticed during audit. There was no proper supervision and control over the maintenance of accounts and the staff had scanty knowledge of correct accounting methods. Most of the registers were not properly written up, the importance of proper classification was not appreciated and agreement of registers was ignored. Even the collection of octroi and toll dues was entrusted to temporary men who were paid at daily rates and who had furnished no security.

34. *Yeola.*—The Chairman, Managing Committee, sanctioned allowances in addition to their pay to several municipal employees without adequate reasons. The allowances being contrary to rules and not sanctioned by the Commissioner, their recovery from the Chairman, who was responsible for their payment in spite of the illegality having been pointed out to him, has been ordered in audit.

Southern Division.

35. *Athni.*—Although the proposal of the Municipality to abolish the tax on cycles was not approved by the Commissioner, the Municipality has discontinued the levy of the tax from the year 1939-40 resulting in a loss of approximately Rs. 110 annually. This action has exposed the members concerned to the risk of being surcharged for the loss.

36. *Bail-hongal.*—On the ground that the levy of license fees caused undue hardship to the traders in offensive and dangerous trades, the Municipality on 6th August 1939 abolished the levy of the fees with retrospective effect from 1st April 1938, although the demand of Rs. 430 for 1938-39 had already been prepared.

37. *Gokak.*—The Municipality has not yet taken steps to give effect to the revised rates of special and general sanitary cess sanctioned by the Commissioner on 6th July 1938 on the ground that it was not satisfied with the revision and wants to revise the rates again.

38. *Gudguddapur.*—The contract for lighting during a Fair was given to a particular contractor. The President however gave the contract to another person. Both persisted in lighting the lights. The claim of the latter being ignored, he filed a suit against the Municipality and got an ex-parte decree for Rs. 100. The Municipality has since filed a suit against the then President for the recovery of the amount.

(4) *Losses by fraud or negligence.*

Northern Division.

39. *Bulsar.*—Failure to levy terminal tax on jaggery imported by road, though the rules provided for the same, resulted in an approximate loss of about Rs. 5,000 to the Municipality. The Municipality has started levying the tax from 1st December 1938 as the Commissioner refused to sanction the exemption.

40. *Modasa.*—With the connivance of the Secretary, who on enquiry is alleged to have received secretly half the amount of the dues to the Municipality, a sand contractor was allowed to evade payment of toll dues. The Toll Nakedar was fined and the Secretary was dismissed from service. The prosecution of the Secretary who was found to have received other illegal gratification also, is contemplated by the Board.

41. *Parle-Andheri.*—The Cashier misappropriated a sum of Rs. 776 and made it good on detection. He was also found to have temporarily misappropriated two amounts of Rs. 75 and Rs. 750. The Cashier has been prosecuted and the case is under Police enquiry.

Central Division.

42. *Dhond.*—Some instances of temporary misappropriations were noticed in audit and an enquiry has been suggested.

43. *Sangamner.*—(*i*) A peon charged with the remittance of money falsely reported that a sum of Rs. 261-14-0 was lost from him by theft. He was prosecuted and convicted.

(*ii*) An illegal resolution of the Board dispensing with the services of the Head Master having been suspended by the Collector under section 174 (*1*) of the Act, the Head Master was

reinstated and paid Rs. 398 for the period of absence. This payment has been recommended for surcharge on the members who voted for the removal of the Head Master illegally as held by the Collector.

(*iii*) According to the assessment list prepared by the Revision Officer the house-tax leviable amounted to Rs. 12,515-4-6 which was reduced to Rs. 10,451-15-0 by the Sub-Committee appointed to hear objections, for no valid reasons. The Administrator has been advised to list cases of unwarranted reductions and the Commissioner has been requested to recover the loss from the members concerned under section 11 of the Local Fund Audit Act.

44. *Trimbak.*—Rs. 508 out of the proceeds of the Pilgrim-tax receipts were short credited and apparently misappropriated. Lack of supervision, want of an independent stock account of the Pilgrim-tax tickets and incorrect procedure of accounting facilitated the misappropriation.

45. *Wai.*—A Municipal councillor who was a local merchant was prosecuted under section 77(*2*) of the Act for evading payment of octroi duty and was fined.

Southern Division.

46. *Athni.*—Two octroi clerks were found to have been in the habit of misappropriating octroi collections by noting the full amounts on the original receipts issued to the payees but crediting lesser amounts by manipulating the counterfoils. One of the culprits was dismissed from service. The disciplinary action to be taken against the other was not decided by the General Board till the end of January 1940, although the subject came up for discussion in four successive meetings.

47. *Gudguddapur.*—The ex-Secretary misappropriated four sums aggregating Rs. 400. The amount was made good by him subsequently when the fraud was detected. No action was taken against him and he was allowed to continue in service for six months after which he himself resigned.

CHAPTER IV.

District Local Boards.

1. Out of 20 District Local Boards in the Province, the accounts of 17 were audited during the year and those of 14 were inspected by the Examiner or the Assistant Examiner. A sum of Rs. 18,933 representing excess or unauthorised payments was ordered for recovery; of this a sum of Rs. 1,786 was recovered in cash during the course of audit.

Accounts Irregularities.

(1) *Unsound financial policy and defective budgeting.*

Northern Division.

2. *Bombay Suburban District.*—The Board has been meeting recurring deficits in its budgets for the last three years from the accumulated surplus which was Rs. 74,184 on 1st April 1936 and which came down to Rs. 43,801 in January 1940. The Board has been advised to devise ways and means to increase its income or to curtail its expenditure. Defects in the preparation of the budget were also noticed.

3. *Thana.*—The financial position of the Board is unsatisfactory. The closing balance which was Rs. 71,906 on 31st March 1938 dwindled to Rs. 48,114 on 31st March 1939. The expenditure in the year 1938-39 exceeded the receipts by Rs. 27,325. It has been impressed on the Board that it should consider ways and means to improve the position.

Central Division.

4. *Nasik.*—The financial position of the Board is very unsatisfactory. There was actually a minus revenue balance of Rs. 7,727 and the unspent balances of Government grants were utilised for general purposes. Under Government orders a special audit of the accounts with a view to suggest ways and means for improving the finances of the Board was undertaken and the report has been submitted to Government.

Southern Division.

5. *Dharwar.*—The financial position is unsatisfactory. The expenditure in 1938-39 exceeded the income by Rs. 16,852 and a greater deficit was avoided only by the District School Board cashing its stock certificates of Rs. 43,000 to meet the current expenditure. Notwithstanding reduction in income due to the stoppage of the Government grant in lieu of the cess on excise revenue (Rs. 19,407) and the abolition of school fees, the Board has committed itself to new liabilities by the creation of several new posts and the grant of premature increments indiscriminately.

6. *Kanara.*—The financial position was unsatisfactory, the Board's income, expenditure and deficit being Rs. 1,52,609, Rs. 1,60,671 and Rs. 8,062 respectively. The necessity of keeping its expenditure within the income or of increasing its resources to avoid the financial position becoming worse has been impressed upon the Board.

7. *Kolaba.*—The Board did not provide for the statutory balance of Rs. 5,000 and for the loan liability of Rs. 8,000 in the budget for 1939-40. The figures of estimates for both receipts and expenditure for 1938-39 were unduly inflated, being Rs. 2,26,712

and Rs. 2,13,257 against the actuals of Rs. 1,56,930 and Rs. 1,46,868 respectively. The necessity of framing accurate budget estimates has been pointed out to the Board.

(2) *Unsound Administration.*

Northern Division.

8. *Broach.*—(*i*) Without preparing any definite scheme and without adequate data as to the cost involved and the availability of suitable materials a factory for manufacturing paper was started by the Board and a sum of about Rs. 1,400 inclusive of Government of India grant of Rs. 250 and scholarships of about Rs. 200 to Harijan boys paid by the Harijan Seva Sangh, Bombay, was spent on the enterprise. During the ten months that the factory was working, paper worth about Rs. 150 was manufactured and it is lying in stock for want of a purchaser. The factory was closed down when Government pointed out that such small scale scattered experiments result in wastage of resources.

(*ii*) Though there was nothing to prove that any excavation work was done and in spite of the reports of the overseer and the Engineer, a sum of Rs. 170 was paid for 29,240 c.ft. of excavation of a village tank. An administrative enquiry has been suggested in the matter.

9. *Thana.*—Although the misappropriation of Rs. 29-8-0 by a Cattle Pound-keeper was reported to the Board on 25th August 1938, no action was taken against the Pound-keeper who absconded and was subsequently reported dead. There were also no collections of fines from this pound during 1938-39 and 1939-40 and at the end of 1939-40, it was reported that not even the cattle pound was in existence!

Central Division.

10. *East Khandesh.*—(*i*) Although it was reported to the Collector by the President that water would not be available even if the work of further deepening a well in the Chopda taluka was undertaken, Rs. 751 against Rs. 402 provided in the estimate were spent on the work of superstructure without the sanction of the Board. If water was not available, the propriety of spending such a large amount on superstructure is not understood. The expenditure was apparently a waste.

(*ii*) Large amounts of advances from the District School Board to the Board and to contractors have remained unadjusted and unrecovered for several years—in some cases since 1930—though the purposes for which the advances were paid have long since been fulfilled.

11. *Nasik.*—(*i*) The incomplete work of repairs to a road was measured on 26th March 1936 and fully paid. In 1936-37 when fresh tenders for completion of the unexecuted items of work were invited, the contractor alleged that all these items were

actually executed by him in 1935-36 but that they were not measured and paid for. In spite of the facts that (*i*) the contractor had accepted the measurements of 26th March 1936 and the payment for it without demur, (*ii*) successive reports from the sub-overseers showed that the work was never executed and that the contractor was paid for all work done by him and (iii) the President, the Chairman and the Engineer had also found the work incomplete as late as on 2nd May 1937, approximate measurements of earth-work alleged to have been done in March 1936 were recorded on 30th June 1938 and the contractor was paid a further sum of Rs. 105. A thorough investigation has been suggested in audit.

(*ii*) The state of public works accounts continued to be unsatisfactory and the expenditure on such works was not susceptible of any effective audit check.

(*iii*) The recovery of the arrears of toll dues was neglected. The outstandings on 31st March 1939 were not ascertained and claims of considerable amounts became time-barred. In some cases even decrees awarded were not executed against the defaulters and in one case a remission of Rs. 500 was granted even though the ground on which it was claimed was not supported by facts on record and the Mamlatdar had reported that there was every prospect of the Board's money being realised.

Southern Division.

12. *Dharwar.*—(*i*) The indiscriminate grant of premature increments, the creation of several new posts and the increase in the pay of existing posts have been a striking feature of this Board. The extravagance in the expenditure on establishment has been brought to the notice of the Commissioner.

(*ii*) The pay of the Engineer which was fixed at Rs. 170 in the scale of Rs. 170—10—370—20—450 at the time of his appointment in February 1938 was raised to Rs. 265 from November 1938. The Government orders dated 5th January 1940 fixing his initial pay at Rs. 220 per mensem were not even brought to the notice of the Board till the date of completion of audit on 11th March 1940 and the Engineer was paid at Rs. 265.

(*iii*) The permanent travelling allowance of the Engineer was reduced from Rs. 150 to Rs. 100 per mensem and, though the new appointment of the Engineer was made with permanent travelling allowance at this reduced rate, it was again raised to Rs. 200 six months after the appointment and the Engineer was paid the difference from the date of appointment. This question was taken up by the Commissioner and he ordered the permanent travelling allowance to be reduced to Rs. 150 per mensem. These orders were not however brought to the notice of the President, and the Engineer continued to be paid at Rs. 200 for nearly ten months till the irregularity was pointed out in audit. This being a serious matter, the President has been asked to hold an enquiry as to who was responsible for suppressing the communication of the Commissioner.

(*iv*) Other cases of unjustifiable increases in pay and permanent travelling allowance of the staff were also noticed.

(*v*) Six hundred cattle pound receipt books were not accounted for and on verification there was a shortage of 36 books. An enquiry into the matter has been suggested.

13. *Kolaba.*—Failure to take timely steps for the recovery of the water-tax for water supplied from the Uran Water Works resulted in heavy arrears which the Board decided to write-off. The Board also decided unauthorizedly to discontinue the tax though a tax once levied with proper sanction cannot be discontinued without a like sanction.

(3) *Losses by fraud or negligence.*

Northern Division.

14. *Broach.*—(*i*) Several petty sums payable to labourers, artisans, etc., and drawn on musters were found to have been misappropriated by the mustering clerks by forging the payees' receipts. The frauds were facilitated by the group member leaving the disbursement to the mustering clerks themselves and yet certifying on the musters that the payments were made by him.

(*ii*) On an enquiry by the Vice-President, it was found that though only 15,000 bricks were actually purchased and carted to the site, a bill for the cost of 20,000 bricks and their carting was prepared and paid for. Sums of Rs. 20 and Rs. 40 drawn in excess on account of carting and cost of bricks respectively, were found to have been misappropriated by the overseer in league with the mustering clerk. Though this case justified a prosecution both the persons were allowed to resign their posts. In addition, the overseer was even allowed the Board's contribution of Rs. 405 on account of the Provident Fund.

15. *Ahmedabad.*—A decree for Rs. 607-9-0 plus Rs. 82-8-0 costs with interest at 6 per cent. per annum obtained in 1931 against two tenants for arrears of shop rent was not executed even though one of the judgment-debtors still continues as a tenant, and the decree became time-barred. Similarly another decree for Rs. 227-4-0 plus Rs. 56-12-0 as costs obtained against two other tenants for arrears of dharamshala rent also became time-barred through non-execution. Recovery of the resultant loss in both the above cases from the persons responsible has been suggested in audit.

16. *Surat.*—Suspicious entries and alterations in musters were getting very common and were reported in Audit Notes. A surprise check was carried out by the executive and several fictitions names in a muster were detected. An enquiry has been suggested.

Central Division.

17. *Ahmednagar.*—Due to failure to get necessary surety bond from a contractor, the Board lost Rs. 9,528-3-0 and Government sanctioned the write-off of the amount with a warning to the Board.

18. *Sholapur.*—Though there were several complaints of misappropriation against a cattle pound-keeper and though the Board on 25th November 1938 sanctioned Rs. 100 for his prosecution, no action was taken against him. The Pound-keeper appealed for mercy and 15 members of the Board suggested a departmental enquiry probably with a view to gain time. As the delay was not justified, the matter was entrusted for investigation to the Police by the District Magistrate.

Southern Division.

19. *Dharwar.*—Misappropriations and malpractices were detected by the executive in the cattle pound accounts but no action was taken against the culprits.

CHAPTER V.

Municipal and Cantonment School Boards.

1. The accounts of all the 41 Municipal and Cantonment School Boards in the Province were audited during the year. The accounts of 17 School Boards were inspected by the Examiner or the Assistant Examiner. The total expenditure disallowed for Government grant amounted to Rs. 6,63,519 of which Rs. 11,985 were ordered for recovery.

Accounts Irregularities.

(1) *Breaches of Acts, Rules and Standing Orders of Government.*

Bombay Division.

2. *Bandra.*—The budget was sanctioned as late as on 15th June 1938, the expenditure till then being incurred without any financial sanction.

Northern Division.

3. *Ahmedabad.*—In spite of Government suggestions in 1932 to the Board to maintain a separate and permanent staff of clerks for the School Board, no action has yet been taken in the matter with the result that there is no clerk with the Board who has passed the School Board Clerks' examination and the Director of Public Instruction is now considering why the grant on account of the clerical establishment should not be stopped.

4. *Broach.*—The budget estimates for 1938-39 and 1939-40 were both sanctioned on the same date as late as on 9th June 1939. Thus the expenditure during the whole of the year 1938-39 and during the first three months of the year 1939-40 was incurred without financial sanction although the Board had been repeatedly asked in previous years to sanction its budgets in time.

(2) *Unsound Administration.*

Northern Division.

5. *Broach.*—In defiance of the orders of Government and repeated instructions from the Director of Public Instruction and this office, the Chairman insisted upon reducing the pay of a School Board Clerk from Rs. 80 to Rs. 60. The clerk, refusing to receive payment at the reduced rate, had to remain without pay for over 15 months till the Local Authority viz. the Broach Municipality itself made a direct payment to him.

(3) *Losses by fraud or negligence.*

Northern Division.

6. *Bulsar.*—(*i*) Against Rs. 1,272 due for recovery under orders of Government on account of unauthorised payment of personal allowance to the Administrative Officer, a sum of Rs. 900 only was recovered from the officer.

(*ii*) Postal Cash Certificates of the face value of Rs. 14,770 were purchased though certificates for sums in excess of Rs. 10,000 standing in the name of one person do not carry interest. The interest of about Rs. 251 was thus lost through the negligence of the executive.

(*iii*) On the abolition of the School Board the Postal Cash Certificates of the face value of Rs. 9,000 which were due for encashment after a few days from the date of transfer of control were instead of being transferred to the name of the President, prematurely cashed with the result that interest of Rs. 309 was lost to the Board.

CHAPTER VI.

District School Boards.

1. The accounts of all the 20 District School Boards in the Province were audited during the year. Those of 14 Boards were inspected by the Examiner or the Assistant Examiner. The total expenditure disallowed for Government grant amounted to Rs. 19,91,059 of which Rs. 24,154 were ordered for recovery.

ACCOUNTS IRREGULARITIES.

(1) *Unsound financial policy and defective Budgeting.*

Bombay Division.

2. *Nasik.*—The outstanding liabilities on the 31st March 1939 aggregated Rs. 9,787. The pay of teachers was not disbursed regularly every month, that for the months of November 1938 and

March 1939 having been paid in January 1939 and May 1939 respectively. The Board's investment of Rs. 23,277 belonging to the Provident Fund in a Co-operative Bank which is now in liquidation has added to its financial embarassment. The services of additional teachers employed to cope with the expansion of primary education had to be dispensed with and urgent repairs to school buildings could not be carried out for want of funds.

Southern Division.

3. *Belgaum.*—There was no free balance on 31st March 1939 the liabilities on that date being Rs. 1,65,270 against a cash balance of Rs. 49,145 only.

4. *Dharwar.*—The financial position is very bad. The year 1938-39 commenced and closed with minus balances. The Board's income inclusive of Government grant is insufficient to meet the ordinary recurring expenditure. Liabilities of the previous years aggregating Rs. 1,26,433 had to be paid from the first instalment of the Government grant, while liabilities totalling Rs. 6,000 had to be held over for payment in the following year. The Board had also utilised Rs. 15,000 from popular contributions and Rs. 42,422 from the sale proceeds of securities belonging to the Educational Local Fund Pension Fund. The budget for 1939-40 was not passed till August 1939 and expenditure was incurred without financial sanction.

(2) *Breaches of Acts, Rules and Standing Orders of Government.*

Northern Division.

5. *Broach.*—(*i*) An expenditure of Rs. 25 in connection with addresses to the Honourable Ministers incurred out of the Primary Education Fund contrary to Government orders has, on the recommendation by audit, been ordered for recovery by the Director of Public Instruction.

(*ii*) A sum of Rs. 323 was spent on the oil paintings of the late Chairman of the School Board and the late President of the District Local Board. A sum of Rs. 55 was also spent on the purchase of 300 copies of the photo of the former for distribution to the schools. Such expenses not being admissible out of the Primary Education Fund, their recovery has been ordered from the persons responsible for authorising the expenditure.

(3) *Unsound Administration.*

Bombay Division.

6. *Nasik.*—(*i*) Notwithstanding the fact that owing to serious doubts about the appointment of a peon—the peon's application and the appointment order not being available—the Administrative

Officer had ordered the withholding of the peon's pay for February 1938, the Vice Chairman ordered the payment. The peon's pay for the next two months was also drawn and was stated to have been paid in the third month. But the pay for the fourth month was refunded without assigning any reasons after being retained for a long time. The order discharging the peon was not forthcoming. An enquiry into the matter has been suggested.

(*ii*) Without obtaining the approval of the Board, the Chairman prevented the Administrative Officer from attending office and performing his duties and appointed an acting Administrative Officer in his place. The additional expenditure on this account has been held under objection.

(*iii*) Failure to produce the relevant records for audit scrutiny for two successive years involved the Board in a loss of Rs. 4,921 which had to be disallowed for grant. The Director of Public Instruction has observed that the clerical staff of the Board was thoroughly irresponsible and that there was gross mismanagement in the affairs of the Board.

7. *Ratnagiri.*—Transfers of teachers were far too numerous, being 54 per cent. of the total strength as against the limit of 25 per cent. laid down in Government Resolution, Educational Department, No. 5973, dated the 15th July 1935.

Central Division.

8. *Ahmednagar.*—(*i*) Balances of Provident Fund moneys amounting to Rs. 50,000 were kept in the current accounts with co-operative Banks which yielded hardly one per cent. by way of interest. As the difference between the rate of interest (viz. 4 per cent.) guaranteed to the subscribers and that earned on investments has to be met from the Primary Education Fund, the avoidable loss on this account to the Primary Education Fund has been considerable. Besides, the investment in fixed deposit with the bank was illegal.

(*ii*) Against 1270 posts of teachers sanctioned by the Local Authority, 1298 teachers were actually employed. Not even the sanction of the School Board was taken for these 28 additional appointments.

(*iii*) Travelling allowance was paid in disregard of the travelling allowance rules. The result was an excess payment of Rs. 445 to the members of the Board.

9. *Satara.*—(*i*) Resolutions were passed by the Board contrary to law and the instructions of higher authorities. Due to the tendency of giving evasive replies, numerous audit objections remain undisposed of and recoveries in a large number of cases still remain to be effected.

(*ii*) The persistent refusal of the Board to invest the accumulations of the Provident Fund in Government securities in spite of instructions in audit as far back as in 1934-35 is likely to result in a deficit of Rs. 63,000 which will have to be made good from the Primary Education Fund.

10. *Sholapur.*—The site selected for a school house at Sakat Pimpri in close proximity to a large river had ultimately to be abandoned owing to the risk of floods after an expenditure of Rs. 2,840 had been incurred on the work.

11. *West Khandesh.*—Without giving him an opportunity to explain the allegations against him, a Supervisor was reduced to the lower post of Head Master of a School. Though the Local Authority ordered his reinstatement and legal opinion also supported this view, the School Board did not reinstate the Supervisor who filed a suit as a result of which the Chairman had to pay Rs. 51-15-0 in satisfaction of a decree out of his pocket. Besides, the Board incurred an expenditure of Rs. 85 in defending the suit.

(4) *Losses by fraud or negligence.*

Bombay Division.

12. *Thana.*—The balance of the Provident Fund account was kept in a bank without earning interest since the institution of the fund—viz. October 1929 to July 1938 when Rs. 1,77,921-1-10 were withdrawn and invested in Government securities. As a result there was a deficit of Rs. 10,000 which was made good from the Primary Education Fund. The Board has been asked to fix the responsibility for the loss.

Central Division.

13. *Sholapur.*—Failure to encash the 5½ per cent. loan of 1938-40 (of the face value of Rs. 7,200) on 30th September 1938, the due date, resulted in a loss of Rs. 263 by way of interest.

Southern Division.

14. *Belgaum.*—The Taluka peon, Gokak, could not account for Rs. 231-10-0 given to him for disbursement. Several attempts to recover the amount from the peon having proved futile, a criminal complaint was lodged with the Police. Meanwhile the peon absconded and could not be traced.

CHAPTER VII.

Estates under the Collectors and Court of Wards under the Bombay Court of Wards Act, 1905, and Minors' Estates under the Guardians and Wards Act, 1890.

1. Out of the estates managed by the Court of Wards in 19 districts in the Province, the accounts of those in 17 districts were audited during the year; and out of 16 districts in which the estates are managed by the Nazirs or the Deputy Nazirs under the Guardians and Wards Act, the accounts of the estates in 13 districts

were audited. The accounts of the estates managed by the Court of Wards in 4 districts and of those managed by the Nazirs or the Deputy Nazirs in three districts were inspected by the Examiner or the Assistant Examiner. The total of recoveries ordered in audit was Rs. 3,084 including cash recoveries of Rs. 239 effected during the course of audit.

ACCOUNTS IRREGULARITIES.

Estates under the Court of Wards.

Northern Division.

2. *Thana.*—The arrears of dues were very heavy, being 67 per cent. of the total demand and no coercive measures prescribed by Section 29 of the Bombay Court of Wards Act were taken against the defaulters.

Central Division.

3. *Satara.*—In respect of an estate managed by the Court of Wards, safe custody with the Sangli Durbar of precious stone and pearl ornaments worth Rs. 53,513 was sanctioned in Government Resolution, Revenue Department, No. 959/33, dated 8th February 1934 and the Commissioner was asked to obtain the safe custody certificate through His Highness the Raja of Sangli. This had not been attended to till the time of audit. Further, inventories of moveable property worth Rs. 8,875 had not been made, though the estate was with the Court of Wards for a number of years. The Court of Wards has been asked to do the needful in this and other similar cases.

Southern Division.

4. *Kolaba.*—(*i*) The arrears of rent were heavy.

(*ii*) The superintendence of an estate in the Pen Taluka was assumed on the understanding that the guardian of the minors should pay to the Court of Wards Rs. 7,000 or more annually towards the deficit between the income and expenditure of the estate and to liquidate the exceptionally heavy debts of the estate [*vide* G. R., R. D., No. 5483/33, dated 11th May 1938] but nothing was received from the guardian for the last two years.

CHAPTER VIII.

Miscellaneous Audits.

1. Out of 329 miscellaneous funds including 23 new audits undertaken during the year under report and excluding 18 Educational Trust Funds the quinquennial audit of which is due

in 1943-44, the accounts of 295 were audited during the year. The accounts of 19 funds were inspected by the Examiner or the Assistant Examiner. The total recoveries ordered including cash recoveries of Rs. 113 effected during audit amounted to Rs. 2,729.

Satara Health Association.

2. The cash in the hospital on 11th December 1939 was Rs. 38-14-0 against the book balance of Rs. 233-8-0 which was the collection of four months. This was reported to the Collector and the deficit was made good. The Compounder was discharged and the Medical Officer severely warned.

Karnatak Agricultural Show Fund.

3. (*i*) A sum of Rs. 232-2-0 sent by the General Secretary on 25th May 1938 to the Collector's Office was not brought to account by the clerk in charge. The omission was detected in audit and the matter was reported to the Commissioner who, in view of the extenuating circumstances, ordered recovery of Rs. 116-1-0 being half the amount of the loss and said he would move Government to bear the other half.

(*ii*) The expenditure of about Rs. 75,000 was wholly controlled and supervised by a member of the Subordinate Agricultural Service. There was no proper and detailed record of the expenditure and it could not be seen in audit whether the procedure followed in the purchase of stores, building and fencing materials, dead stock articles, etc. was methodical and economical.

S. RATNAM,
Examiner, Local Fund Accounts.

APPENDIX I.

Details of the cost of the Local Audit Department.

	Rs.
Pay—	
1 Examiner at Rs. 846-8-0 per mensem [average cost]	10,158
1 Assistant Examiner at Rs. 630 per mensem [average cost]	7,560
14 Senior Auditors at Rs. 364-5-0 per mensem [average cost] for 12 months	61,204
1 Senior Auditor at Rs. 284-11-0 per mensem [average cost]	3,416
*22 Clerks at Rs. 140-7-0 per mensem [average cost]...	37,075
2 Clerks at Rs. 140-7-0 per mensem [average cost] for 1 month	281
2 Clerks at Rs. 104-10-0 per mensem [average cost] for 11 months	2,302
2 Clerks at Rs. 104-10-0 per mensem [average cost] for 12 months	2,511
2 Typists at Rs. 101-10-0 per mensem [average cost]	2,439
Special pay to 3 Sub-Auditors at Rs. 25 each per mensem	900
Special pay to Stenographer at Rs. 30 per mensem ...	360
22 Inferior Servants	4,440
Temporary Establishment.	
2 Senior Auditors for 11 months at Rs. 364-5-0 ...	8,015
3 Junior Auditors for 11 months at Rs. 104-10-0 ...	3,453
2 Peons at Rs. 14 for 11 months	308
1 Peon at Rs. 14 for $5\frac{13}{30}$ months	76
	1,44,498
* Leave contribution	17,158
† Pension contribution	22,569
Allowances and Honoraria, etc.	21,375
Contingencies	4,850
	2,13,450

* The pay of the leave reserve is met by the Central Government.

† Leave and pension contributions for the whole staff are recovered from the Government of Bombay.

APPENDIX II.

PART I.

Audits governed by the Bombay Local Funds Audit Act.

	No. of audits.	Total.
Borough Municipalities	28	
District Municipalities	102	
Notified Area Committees	15	
Municipal School Boards	35*	
District School Boards	20	
Cantonment Educational Accounts	6	
District Local Boards	20	226
	226	

PART II.

(A) *Audits not governed by the Bombay Local Funds Audit Act.*

(*A*) Public Conveyance Funds and receipts under Indian Motor Vehicles Act	20	
(*B*) Workmen's Compensation Accounts ...	22	
(*C*) Estates under the Court of Wards ...	19	
(*D*) Minors' Estates under Nazirs and Deputy Nazirs	16	
(*E*) Medical Funds	68	
(*F*) Trust Funds	21†	
(*G*) Educational and Industrial Institutions ...	5	
(*H*) Ports and Marine Funds	2	
(*I*) High Court Audits	18	
(*J*) Miscellaneous audits entrusted to Local Audit Department under executive orders of the Government of Bombay	191	382
	382	
Grand total ...		608

* Out of 35 Municipal School Boards 17 School Boards were abolished from 1st July 1938.

† Out of 21 Trust Funds the audit of 18 Educational Trust Funds is due in 1943-44 (Quinquennial Audit).

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APPENDIX III—IMPORTANT ACCOUNT STATEMENTS.

STATEMENT No. I.

Municipal Boroughs whose revenue expenditure exceeded ordinary income during 1938-39.

Name of Municipal Borough.	Income.	Expenditure.	Excess of expenditure.	Remarks.
1	2	3	4	5
	Rs.	Rs.	Rs.	
Northern Division.				
Thana	2,17,490	2,23,351	5,861	
Central Division				
Bhusaval	1,52,521	1,65,437	12,916	
Malegaon	1,44,525	1,47,215	2,690	
Southern Division.				
Dharwar	1,94,864	2,04,701	9,837	

STATEMENT No. II.

Municipal Boroughs which were unable to meet their obligations during 1938-39.

Name of Municipal Borough.	Amount of liability not met.	Nature of the liability not met.	Remarks.
Central Division.	Rs.		
Nasik	74,220	Depreciation Fund.	
	4,597	Pilgrim Welfare Fund.	
	9,187	Provident Fund.	
	86,300	Building Fund.	
	1,66,331	Acquisition Fund.	
	56,000	Outstanding bills.	
Pandharpur ...	19,500	Do.	
	59,010	Road and Toll Fund balance.	
Southern Division.			
Dharwar... ...	42,450	Outstanding bills ...	
Gadag	3,034	Road and Toll Fund balance.	
	20,000	Outstanding bills of the Electric Company.	
Ratnagiri ...	1,500	Contribution to the Water Works Depreciation Fund.	Against Rs. 3,000 fixed in Government Resolution, General Department, No. 4018, dated 21st December 1933, only Rs. 1,500 were contributed by the Municipality.

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STATEMENT NO. III.

Municipal Boroughs whose Councillors were in arrears on the 31st March 1939.

Name of Muncipal borough.	Number of Councillors who were in arrears on 31st March 1939.	Total amount of arrears due from Councillors on 31st March 1939.	Remarks.
		Rs. a. p.	
Northern Division.			
Ahmedabad	1	73 3 0	
Broach	2	79 1 0	
Central Division.			
Lonavla	1	17 0 0	
Nasik	2	91 0 0	
Satara	4	66 8 0	
Southern Division.			
Dharwar	5	283 3 0	
Gadag-Betgeri	4	43 0 0	

STATEMENT No. IV.

Municipal Boroughs which did not observe Government Orders of a general nature during 1938-39.

Name of Municipal Borough.	Number and date of Government Order.	Subject of Government Order.	Remarks.
Northern Division.			
Ahmedabad ...	G.R., G.D., No. 1001, dated 15th March 1934.	Accumulations in the Water Works and Drainage Depreciation Funds should be invested in public securities specified in section 20 of the Indian Trust Act.	Depreciation Fund invested in Municipal debentures.
Nadiad ...	G.R., G.D., No. 192, dated 3rd February 1922.	Expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Central Division.			
Amalner ...	G.R., R.D., No. 140-A, dated 20th July 1938.	Limit of investment of municipal monies in the Amalner Urban Co-operative Bank, Ld.	Against the limit of Rs. 20,000 the Municipality actually had Rs. 68,788 in the Bank on the 31st March 1939.
Barsi ...	G.R., G.D., No. 1001, dated 1st December 1927 and G.R., G.D., No. 1001, dated 15th March 1934.	(*i*) The depreciation fund was not separately invested. (*ii*) The depreciation fund did not improve at 4 per cent. per annum.	
Jalgaon ...	Rule 18 (4) of the Local Authorities Loans Rules. G.R., G.D., No. 1001, dated 15th March 1934.	Investment of Sinking Fund in Government Securities. Accumulations in Depreciation Funds should be invested inpublic securities specified in section 20 of the Indian Trusts Act.	
Nasik ...	G.R., G.D., No. 216/33, dated 20th May 1937.	Trust funds should be invested in approved securities.	Rs. 18,500 were invested in the Nasik District Central Co-operative Bank now in liquidation.

STATEMENT No. IV—*contd.*

Name of Municipal Borough.	Number and date of Government Order.	Subject of Goverment Order.	Remarks.
Central Division —contd.			
Pandharpur ...	G.M., G.D., No. 6129-A, dated 26th April 1938.	Apportionment of Pilgrim tax.	
Poona Suburban Municipal Borough.	G.R., G.D., No. 1001, dated 1st December 1927.	Maintenance of the capital and the revenue accounts of the Drainage Works in the prescribed forms.	
Satara ...	G.R., G.D., No. 192, dated 3rd February 1922.	Expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Sholapur ...	G.R., G.D., No. 1001, dated 1st December 1927 and G.R., G.D., No. 1001, dated 15th March 1934.	(*i*) The accumulations in the depreciation fund should be invested in securities specified in section 20 of the Indian Trusts Act. (*ii*) The depreciation fund did not improve at 4 per cent. per annum.	
Southern Division.			
Belgaum ...	G.R., G.D., No. 192, dated 3rd February 1922.	Expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Bijapur ...	G.R., G.D., No. 1001, dated 15th March 1934.	Creation of a depreciation fund for the removal of the rising main constructed from loan funds.	
Dharwar ...	Section 84 (*1*) of the Bombay Municipal Boroughs Act.	The assessment list should be completely revised not less than once in every four years.	
Gadag-Betgeri ..	G.R., G.D., No. 192, dated 3rd February 1922.	The expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Hubli ...	G.M., G.D., No. S. 693/33, dated 6th June 1935.	Report to the Collector and the Examiner, Local Fund Accounts, about embezzlements.	

STATEMENT No. V.

Statement of liabilities, assets, arrears of taxes and dues, and percentage of arrears of taxes and dues to the total demand during 1938-39.

Name of Municipal Borough.	Liabilities.	Assets.	Arrears of taxes and dues. (A) Old i.e. for the years preceding 1938-39.	Arrears of taxes and dues. (B) Current i.e. for the year 1938-39.	Percentage of arrears to the total demand.	Remarks.
1	2	3	4	5	6	7
	Rs.	Rs.	Rs.	Rs.		
Northern Division.						
Ahmedabad ...	46,89,404	69,66,898	2,45,794*	2,48,416*	14·53	*A sum of Rs. 2,16,715 has been received as deposit under Section 110 of the Municipal Boroughs Act. Therefore the net amount of arrears would be Rs. 2,78,494 only.
Bandra	.....	.....	.....	.....	.....	Audit in arrears.
Broach	34,264	58,201	2,797	6,120	13·8	
Kurla	35,862	2,48,166	23,524	22,071	18	
Nadiad	9,938	59,703	25,040	16,846	45·11	
Surat	6,78,647	11,52,550	1,33,515		16·51	
Thana	86,294	2,13,408	28,058	27,611	28·66	
Central Division.						
Ahmednagar ...	68,297	1,50,169	38,122	30,611	39·48	
Amalner	32,769	1,12,520	566	3,733	6·1	
Barsi	.....	.....	.....	.....	.....	Audit in arrears.
Bhusaval	16,670	1,03,458	12,364	14,520	30·78	
Chalisgaon... ...	.....	.....	.....	.....	.....	Audit in arrears.
Dhulia	.....	.....	.....	.....	.....	Do.
Jalgaon	98,785	1,78,448	30,652	28,254	28·47	
Lonavla	1,175	38,248	13,211	6,705	18·8	
Malegaon	19,326	60,438	26,083	22,204	56	
Nasik	4,70,039	9,50,784	90,706	43,611	44·2	
Pandharpur ...	1,00,653	70,070	20,970	21,239	20	
Poona City... ...	5,08,284	11,96,189	78,800	81,000	17·88	
Poona Suburban ...	34,618	1,79,764	7,972	23,401	24·16	
Satara City ...	37,525	1,11,809	18,328	13,240	34·18	
Sholapur	4,31,780	5,01,495	15,735	37,593	9·5	
Southern Division.						
Belgaum	61,296	1,36,508	13,639	20,860	38·12	
Bijapur	1,49,616	2,35,425	47,433	19,659	40·61	
Dharwar	1,45,705	3,10,550	1,03,920	58,945	53·53	
Gadag-Betigeri ...	25,668	75,501	5,503	6,120	17·32	
Hubli	93,863	2,48,424	21,414	18,625	16·41	
Ratnagiri	4,198	40,915	1,954	1,074	15·47	

STATEMENT No. VI.

Statement of revenue, establishment charges, percentage of establishment charges to the total revenue of Municipal Boroughs during 1938-39.

Name of Municipal Borough.	Total revenue excluding that from extra-ordinary and debt heads.	Total expenditure excluding that under extra-ordinary and debt heads.	Total establishment charges relating.		Percentage of establishment charges to the total revenue.		Percentage of establishment charges to total expenditure.	Remarks.
			(A) Revenue yielding Departments.	(B) Total establishment.	(A). For revenue yielding Departments only.	(B) For all Departments.		
1	2	3	4	5	6	7	8	9
	Rs.	Rs.	Rs.	Rs.				
Northern Division.								
Ahmedabad ...	62,71,787	41,80,290	2,11,338	6,69,123	4·08	16·4	20·7	
Bandra... ...	.....	.....	.....	...	...	...	...	Audit in arrears.
Broach... ...	2,99,410	2,73,007	12,259	77,156	4·09	25·8	28·26	
Kurla	4,54,071	4,17,436	8,667	1,12,644	1·91	24·81	26·9	
Nadiad... ...	1,63,219	1,61,266	5,723	46,009	3·51	28·19	28·53	
Surat	13,52,969	12,53,266	57,520	1,94,426	4·2	14·4	15·5	
Thana	2,17,490	2,23,351	14,412	61,559	6·6	28·4	27·6	
Central Division.								
Ahmednagar ...	3,54,491	2,92,622	14,869	78,260	4·2	22·1	26·7	
Amalner ...	1,53,560	1,36,998	4,025	34,348	2·6	22·4	25·07	
Barsi	.....	.....	.....	...	...	..	...	Audit in arrears.
Bhusawal ...	1,52,521	1,55,437	34,140	75,550	22·39	49·53	45·67	
Chalisgaon ...	.....	.....	.....	...	...	...	...	Audit in arrears.
Dhulia	.....	.....	.....	...	...	...	...	Do.
Jalgaon ...	2,80,078	2,34,611	8,555	65,700	3	23·5	29·2	
Lonavla ...	96,269	82,962	4,441	34,597	4·6	35·9	41·7	
Malegaon ...	1,44,525	1,47,215	6,756	22,454	5	16	20	
Nasik	3,71,235	3,59,714	25,202	1,16,156	6·5	29·9	30	
Pandharpur ...	2,38,890	2,23,166	28,046	88,584	11·74	37·08	39·69	
Poona City ...	18,97,898	14,02,191	1,10,434	4,27,565	6	22	30·5	
Poona Suburban...	1,64,322	1,31,594	12,161	41,073	7	25	31·14	
Satara City ...	1,68,608	1,43,593	11,178	24,675	6·6	14·6	24·8	
Sholapur	11,24,369	10,81,404	72,544	2,89,157	6·45	25·72	26·8	
Southern Division.								
Belgaum ...	2,12,593	1,91,711	12,396	57,674	6·2	27·1	30·08	
Bijapur ...	3,08,850	2,87,846	24,460	55,636	7·8	18	19	
Dharwar ...	2,43,037	2,55,076	15,357	59,327	6·3	23·88	23·2	
Gadag-Betigeri ...	2,5a,208	2,36,070	15,395	49,882*	6·1	19·7	21·1	*Does not include cost of High School establishment.
Hubli	4,89,373	4,19,805	19,315	1,61,730	5	38	37	
Ratnagiri ...	52,394	48,053	2,977	16,612	5·7	31·9	32·5	

STATEMENT No. VII.

District Municipalities and Notified Area Committees governed by the District Municipal Act, 1901, whose revenue expenditure exceeded the ordinary income during 1938-39.

Name of the Municipality.	Income.	Expenditure.	Excess of expenditure.	Remarks.
1	2	3	4	5
Northern Division.	Rs.	Rs.	Rs.	
Anand	40,588	47,008	6,420	
Bassein	53,581	60,522	6,941	
Borsad	21,366	26,376	5,010	
Dakore	15,842	17,276	1,434	
Dhanduka	36,281	37,925	1,644	
Dholka	37,053	41,566	4,513	
Dohad	35,660	45,968	10,308	
Ghatkopar	84,081	1,16,285	32,204	Due to capital expenditure.
Godhra	87,050	1,04,823	17,773	Do.
Kapadwanj	84,129	87,644	3,515	
Modasa	19,829	20,824	995	
Prantij	23,874	24,671	797	
Ranpur	15,184	16,276	1,092	
Umreth	31,309	34,369	3,060	
Viramgam	73,931	74,166	235	
Notified Area Committees.				
Ambernath	4,375	4,422	47	
Kandivli	12,089	12,342	253	
Mulund	10,817	14,220	3,373	
Central Division.				
Ashta	23,708	24,481	773	
Bhagur	10,614	11,757	1,143	
Chopda	50,078	51,519	1,441	
Dhond	12,637	12,687	50	

STATEMENT No. VII—*contd.*

Name of the Municipality.	Income.	Expenditure.	Excess of expenditure.	Remarks.
1	2	3	4	5
Central Division—contd.	Rs.	Rs.	Rs.	
Igatpuri	27,898	30,991	3,093	
Junnar	22,745	35,159	12,414	
Mhaswad	14,700	17,011	2,311	
Nandgaon	19,884	20,531	647	
Rahimatpur	6,537	7,691	1,154	
Raver	21,442	23,214	1,772	
Sangola	13,027	13,619	592	
Satara Suburban ...	6,753	6,755	2	
Savda	36,396	36,495	99	
Sinnar	25,399	25,606	207	
Talegaon	12,402	12,820	418	
Taloda	23,105	23,276	171	
Yawal	34,733	34,918	185	
Yeola	65,525	68,081	2,556	
Notified Area Committees.				
Lonand	1,952	2,235	283	
Talegaon	1,098	2,503	1,405	
Southern Division.				
Bhatkal	17,409	18,229	820	
Byadgi	33,608	33,835	227	
Gokarn	5,245	5,753	508	
Honawar	14,799	18,550	3,751	
Matheran	57,709	57,880	171	
Nargund	20,251	22,173	1,922	
Navalgund	14,655	17,581	2,926	
Ranebennur	50,822	52,539	1,717	
Roha-Ashtami ...	16,759	17,794	1,035	
Uran	15,891	17,604	1,713	
Notified Area Committees.				
Annigeri	2,660	3,580	920	

STATEMENT No. VIII.

District Municipalities and Notified Area Committees which were unable to meet their obligations during 1938-39.

Name of Municipality.	Amount of liability.	Nature of the liability not met.	Remarks.
Northern Division.	Rs.		
Bassein ...	16,577	Road and Toll Fund balance.	
	2,030	Contribution for Primary Education.	
Bhiwandi ...	10,938	Outstanding bills.	
Bulsar ...	27,895	Road and Toll Fund balance.	
	4,261	Contribution for Primary Education.	
Dakore ...	10,941	Pilgrim Fund.	
Dhanduka ...	12,977	Road and Toll Fund balance.	
Dohad ...	19,373	Refund of Terminal Tax.	
	6,500	Share of land rent payable to Government.	
	13,152	Road and Toll Fund balance.	
Kapadwanj ...	36,317	Contributions to the Depreciation Fund for the Water and the Drainage Works financed from Government grant-in-aid.	The contributions were less than the annual instalment of Rs. 12,947 fixed in G.R., G.D., No. P. 242 dated 22nd October 1936.
Modasa ...	1,200	Outstanding bills.	
	645	Contribution for Primary Education.	
Rander ...	14,341	Interest on Trust Funds utilised for general purposes.	
	42,875	Road and Toll Fund balance.	
Sanand ...	1,400	(*i*) Amount of deposits utilised for general purposes—Rs. 413. (*ii*) Maintenance charges of a lunatic—Rs. 987.	
Central Division.			
Betawad ...	7,629	Contribution for Primary Education.	
Faizpur ...	3,662	Outstanding bills.	

STATEMENT No. VIII—*contd.*

Name of Municipality.	Amount of liability.	Nature of the liability not met.	Remarks.
Central Division—contd.	Rs.		
Indapur ...	10,000	Road and Toll Fund balance.	
Islampur ...	870	Contribution for Primary Education.	
	13,532	Road and Toll Fund balance.	
Jejuri ...	4,173	Road and Toll Fund balance.	
	2,927	Pilgrim Fund balance due to the District Local Board.	
	2,230	Contribution for Primary Education.	
	2,672	Balance due to Government against the estimated amount of Water Works Scheme.	
	1,588	Gratuities and other amounts due to the ex-Secretary, and a Clerk.	
Junnar ...	9,027	Road and Toll Fund balance.	
Karad ...	20,977	Outstanding bills—cost of water, maintenance charges of lunatics, etc.	
	37,726	Road and Toll Fund balance.	
Mhaswad ...	595	Provident Fund contribution of the employees.	
	595	Share of Municipal contribution to the Provident Fund.	
	3,484	Contribution for Primary Education.	
	1,293	Government dues.	
	5,879	Road and Toll Fund balance.	
Nandurbar ...	1,84,087	Accumulated interest on the Water Works loan.	
Rahimatpur ...	12,061	Contribution for Primary Education.	
	292	Contribution to District Local Board on account of the Veterinary Dispensary and Vaccinators' pay.	
Savda ...	1,616	Outstanding bills.	
Sindkheda ...	12,098	Contribution for Primary Education.	
Sinnar ...	17,131	Road and Toll Fund balance.	
Taleguon Dabhade ...	1,396	(*i*) Pay of establishment—Rs. 923. (*ii*) Lighting charges—Rs. 473.	

STATEMENT No. VIII—*concld.*

Name of Municipality.	Amount of liability.	Nature of the liability not met.	Remarks.
	Rs.		
Central Division—contd.			
Taloda ...	2,025	Octroi refund.	
	9,208	Contribution for Primary Education.	
Trimbak ...	49,783	Road and Toll Fund balance.	
	9,302	Depreciation fund.	
Vita ...	748	Road and Toll Fund balance.	
Wai ...	7,289	Do.	
	14,268	Contribution for Primary Education.	
Yawal ...	8,562	Do.	
Yeola ...	11,734	Outstanding bills.	
Southern Division.			
Athni ...	8,001	Road and Toll Fund balance.	
	7,055	Contribution for Primary Education.	
Bagalkot ...	8,187	Outstanding bills.	
	6,743	Compensation payable for plots acquired for Road Widening and Town Planning Scheme.	
	2,720	Annual instalment of loan for Town Planning Scheme.	
Byadgi ...	7,332	Road and Toll Fund balance.	
Guledgud ...	1,290	Municipal share of Provident Fund contribution.	
Mahad ...	2,116	Road and Toll Fund balance.	
Nargund ...	894	Contribution for Primary Education.	
	1,000	Annual instalment of loan payable to Government.	
Navalgund ...	1,034	Contribution for Primary Education.	
	699	Cost of Medicines payable to Government.	
	111	Road and Toll Fund balance.	
Panvel ...	3,970	Do.	
Vengurla ...	20,254	Do.	

STATEMENT No. IX.

District Municipalities and Notified Area Committees whose Councillors were in arrears on the 31st March 1939.

Name of Municipality or Notified Area Committee.	Number of Councillors who were in arrears on 31st March 1939.	Total amount of arrears due from Councillors on the 31st March 1939.	Remarks.
1	2	3	4
		Rs. a. p.	
Northern Division.			
Ankleshwar	2	35 8 0	
Bhiwandi-Nizampur... ...	9	783 10 0	
Dohad	3	20 12 0	
Juhu	5	374 2 0	
Malad (Notified Area Committee).	1	47 4 0	
Prantij	1	19 2 9	
Rander	3	366 5 6	
Sanand	2	48 12 0	
Central Division.			
Baramati	3	91 0 0	
Betawad	6	78 4 9	
Igatpuri	1	12 4 0	
Islampur	1	123 0 0	
Karad	11*	787 14 0	*Of these three were ex-councillors.
Lonand (Notified Area Committee).	4	60 11 6	
Nandurbar	1	12 13 0	
Panchgani	1	54 4 0	
Satara Suburban	1	11 6 0	
Shahada	4	331 2 0	
Shirpur	6	152 8 0	
Sindkheda	18‡	241 3 0	‡These figures are as on 31st March 1938. The Municipality was abolished from the 1st July 1938.

STATEMENT No. IX—*contd.*

Name of Municipality or Notified Area Committee.	Number of Councillors who were in arrears on 31st March 1939.	Total amount of arrears due from Councillors on the 31st March 1939.	Remarks.
1	2	3	4
		Rs. a. p.	
Central Division—contd.			
Sinnar	1	4 10 0	
Taloda	1	1 8 0	
Trimbak	6	122 0 0	
Wai	1	123 0 0	
Southern Division.			
Alibag	3	145 9 0	
Athni	1	100 0 0†	†Market stall rent for 1936-37.
Annigeri (Notified Area Committee).	2	19 8 0	
Bhatkal	1	1 5 3	
Haliyal	6	294 10 6	
Kumta	2	26 13 11	
Rajapur (Notified Area Committee).	1	18 0 0	

STATEMENT No. X.

District Municipalities and Notified Area Committees which did not observe Government orders of a general nature during 1938-39.

Name of Municipality or Notified Area Committee.	Number and date of Government order.	Subject-matter of Government order.	Remarks.
1	2	3	4
Northern Division.			
Bassein ...	G.R., G.D., No. 6883, dated 7th June 1921.	Income from toll and wheel tax should be earmarked for expenditure on roads.	
Borsad ...	G.O., G.D., No. 524, dated 8th November 1926.	Scale of slaughtering fees should be in proportion to the expenditure on slaughter houses.	
Bulsar ...	G.R., G.D., No. 192, dated 3rd February 1922.	The expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Dakore ...	Do. ...	Do.	
Dhanduka ...	G.R., G.D., No. 6883, dated 7th June 1921.	Income from toll and wheel tax should be earmarked for expenditure on roads.	
Dohad ...	G.R., G.D., No. 192, dated 3rd February 1922.	The expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Godhra ...	G.R., G.D., No. 3334, dated 2nd October 1924.	Expenditure on medical relief should not be less than 4 per cent. of the total expenditure of the Municipality.	
	G.R., G.D., No. 192, dated 3rd February 1922.	The expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Jambusar ...	Section 67(*1*) of the Bombay District Municipal Act.	The assessment list shall be completely revised not less than once in every four years.	

STATEMENT No. X—*contd.*

Name of Municipality or Notified Area Committee.	Number and date of Government order.	Subject-matter of Government order.	Remarks.
1	2	3	4
Northern Division —contd.			
Kaira ...	G.R., G.D., No. 3334, dated 2nd October 1924.	Expenditure on medical relief should not be less than 4 per cent. of the total expenditure of the Municipality.	
Kapadwanj...	G.R., G.D., No. 1001, dated 1st December 1927.	Maintenance of the capital and the revenue accounts of the Water and Drainage Works in prescribed forms.	
	G.R., G.D., No. 1001, dated 15th March 1934.	Investment of Depreciation Fund in securities specified in Section 20 of the Indian Trusts Act.	
	G.R., P.W.D., No. 5477, dated 15th July 1935.	Service taxes should be recovered from Medical Officers drawing more than Rs. 150 pay per mensem.	
Modasa ...	G.R., G.D., No. 192, dated 3rd February 1922.	The expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Do. ...	Section 67(*1*) of the Bombay District Municipal Act.	The assessment list shall be completely revised not less than once in every four years.	
Prantij ...	Do. ...	Do.	
Rander ...	G.R., G.D., No. 192, dated 3rd February 1922.	The expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Do. ...	G.R., G.D., No. 6883, dated 7th June 1921.	The income from toll and wheel tax should be earmarked for expenditure on roads.	

STATEMENT No. X—*contd.*

Name of Municipality or Notified Area Committee.	Number and date of Government order.	Subject-matter of Government order.	Remarks.
1	2	3	4
Central Division.			
Betawad ...	G.R., G.D., No. 3334, dated 21st September 1931.	Expenditure on medical relief should not be less than 4 per cent. of the total expenditure of the Municipality.	
Bhagur ...	G.R., G.D., No. 192, dated 3rd February 1922.	The expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Indapur ...	G.R., G.D., No. 6883, dated 7th June 1921.	Income from toll and wheel tax should be earmarked for expenditure on roads.	
Islampur ...	Do. ...	Do.	
Junnar ...	Do. ...	Do.	
Karad ...	Do. ...	Do.	
Do. ...	Section 67(*1*) of the Bombay District Municipal Act.	The assessment list shall be completely revised not less than once in every four years.	
Satara Suburban.	Do. ...	Do.	
Sinnar ...	G.R., G.D., No. 6883, dated 7th June 1921.	Income from toll and wheel tax should be earmarked for expenditure on roads.	
Talegaon Dabhade.	Do. ...	Do.	
Tasgaon ...	Do. ...	Do.	
Trimbak ...	Section 67(*2*) of the Bombay District Municipal Act.	Assessment list should be prepared every year.	
Vita ...	G.R., G.D., No. 6883, dated 7th June 1921.	Income from toll and wheel tax should be earmarked for expenditure on roads.	

STATEMENT No. X—*concld.*

Name of Municipality or Notified Area Committee.	Number and date of Government order.	Subject-matter of Government order.	Remarks.
1	2	3	4
Central Division —contd.			
Wai ...	G.R., G.D., No. 192, dated 3rd February 1922.	The expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Do. ...	Section 67(*1*) of the Bombay District Municipal Act.	The assessment list shall be completely revised not less than once in every four years.	
Southern Division.			
Alibag ...	Section 67(*1*) of the Bombay District Municipal Act.	The assessment list shall be completely revised not less than once in every four years.	
Athni ...	G.M., G.D., No. 693/33-A, dated 6th June 1935.	Report about embezzlement of money should be made to the Collector and the Examiner, Local Fund Accounts.	
	G.R., G.D., No. 192, dated 3rd February 1922.	The expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Honavar ...	Section 67(*1*) of the Bombay District Municipal Act.	The assessment list shall be completely revised not less than once in every four years.	
Karwar ...	G.R., G.D., No. 192, dated 3rd February 1922.	The expenditure on special conservancy should be fully met from the proceeds of the special sanitary cess.	
Pen ...	Section 67(*1*) of the Bombay District Municipal Act.	The assessment list shall be completely revised not less than once in every four years.	

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STATEMENT No. XI.

Statement of liabilities, assets, arrears of taxes and dues and percentages of arrears of taxes and dues to the total demand during 1938-39.

Name of District Municipality.	Liabilities.	Assets.	Arrears of taxes and dues.		Percentage of arrears to the total demand.	Remarks.
			(A) Old, i.e., for the years preceding 1938-39.	(B) Current, i.e., for the year 1938-39.		
1	2	3	4	5	6	7
Northern Division.	Rs.	Rs.	Rs.	Rs.		
Anand	5,056	27,210	1,859	6,310	33·03	
Ankleshwar	14,737	32,674	685	2,192	21·6	
Bassein	37,284	31,915	4,836	1,461	28·4	
Bhiwandi	11,880	38,908	19,341	12,640	56·49	
Borsad	2,135	5,047	1,374	1,241	13·27	
Bulsar	39,647	37,099	458		1·2	
Dakore	10,941	12,424	2,697	2,536	28·07	
Dhanduka	13,743	8,280	3·0	643	7·31	
Dholka	4,809	10,050	821	1,270	26·89	
Dohad	46,482	25,087	1,742	11,095	51	
Ghatkopar	40,316	94,831	9,539	8,849	19·82	
Godhra	11,777	43,961	12,723	8,812	32·31	
Jambusar	4,370	33,505	15	27	·51	
Juhu	19,847	47,585	2,813	5,180	43·51	
Kaira	48	6,890	2,208	839	21·68	
Kalyan	49,210	89,841	5,029	10,238	18·45	
Kapadwanj	90,234	75,078	3,211	4,765	14·3	
Mehmedabad	153	6,907	2,059	914	25·68	
Modasa	7,670	6,838	2,520	3,881	29·98	
Parle-Andheri	75,732	1,90,883	21,389	30,562	24·06	
Prantij	3,784	6,271	455	397	8·69	

STATEMENT No. XI—*contd.*

Name of District Municipality.	Liabilities.	Assets.	Arrears of taxes and dues.		Percentage of arrears to the total demand.	Remarks.
			(A) Old, i.e., for the years preceding 1938-39.	(B) Current, i.e., for the year 1938-39.		
1	2	3	4	5	6	7
Northern Division —contd.	Rs.	Rs.	Rs.	Rs.		
Randor	89,028	51,700	9,288	7,037	27·3	
Raupur	341	0.000	526	195	14·21	
Sanand	2,722	5,656	2,721	1,027	25·1	
Umreth	1,056	22,231	3,327	4,184	27·65	
Viramgam	15,527	31,575	10,080	10,395	37·47	
Notified Area Committees.						
Ambernath	Nil.	8,615	49	486	11·14	
Borivli	4,512	23,579	3,883	3,138	25	
Chembur	310	3,198	158	200	4·53	
Kandivli	2,839	5,976	61	578	4·94	
Malad	2,157	8,452	1,948	2,796	17	
Mulund	1,200	4,886	368	1,971	19·31	
Central Division.						
Alandi	27,001	48,357	Nil	Nil	Nil	
Ashta	56	9,800	3,607	430	15·44	
Baramati	9,333	36,344	14,835	6,104	59 44	
Betawad	7,789	5,172	2,136	996	59	
Bhagur	6,729	9,661	357	668	21	
Chopda	3,953	38,891	9,714	7,243	47·62	

STATEMENT No. XI—*contd.*

Name of District Municipality.	Liabilities.	Assets.	Arrears of taxes and dues.		Percentage of arrears to the total demand.	Remarks.
			(A) Old, i.e., for the years preceding 1938-39.	(B) Current, i.e., for the year 1938-39.		
1	2	3	4	5	6	7
Central Division—contd.	Rs.	Rs.	Rs.	Rs.		
Dharangaon	.....	.....	.....	...	...	Audit in arrears.
Dhond	8,775	2,756	*	*	*	*Figures not available.
Erandol	.....	.....	.....	...	...	Audit in arrears.
Faizpur	5,197	80,759	9,515	9,195	62·99	
Igatpuri	1,906	50,624	5,636	6,928	44·1	
Indapur	13,246	12,804	3,424	1,950	73·22	
Islampur	15,977	26,015	5,774	3,753	53·75	
Jejuri	14,823	5,081	286	266	21·53	
Junnar	10,343	4,260	1,407	1,657	34·38	
Karad	78,791	58,994	19,447	8,523	43·71	
Karmala	13,596	31,530	1,910	2,282	34·7	
Mahableshwar ...	2,050	67,739	.....	208	·99	
Manmad	1,576	31,698	3,392	8,096	36·38	
Mhaswad	11,959	1,806	396	493	15·32	
Nandgaon	5,217	19,488	3,933	4,041	59·79	
Nandurbar	2,20,927	97,381	26,051	18,827	49·97	
Panchgani	481	24,397	2,155	2,067	23·89	
Parola	.....	.....	.....	...	...	Audit in arrears.
Rahimatpur	12,358	4,439	877	441	27·74	
Raver	642	22,273	1,908	3,019	39·64	
Sangamner	13,057	35,646	11,189	7,139	47	
Sangola	1,381	4,658	956	747	36·4	

STATEMENT NO. XI—*contd.*

Name of District Municipality.	Liabilities.	Assets.	Arrears of taxes and dues.		Percentage of arrears to the total demand.	Remarks.
			(A) Old, i.e., for the years preceding 1938-39.	(B) Current, i.e., for the year 1938-39.		
1	2	3	4	5	6	7
	Rs.	Rs.	Rs.	Rs.		
Central Division —concld.						
Saswad	11,064	28,653	443	431	21·88	
Satara Suburban ...	2,189	27,868	834		10 93	
Savdá	7,380	20,906	2,558	2,021	39·85	
Shahada	21,839	45,478	3,172	3,334	40·63	
Shirpur	1,402	51,450	6,608	5,691	57·18	
Sindkheda (defunct) ...	12,648*	8,304*	7,504*	...	90·07*	*As on 30th June 1938.
Sinnar	17,575	10,487	2,004	1,954	43·4	
Sirur	9,376	24,613	2,719	2,656	52·3	
Talegaon	11,938	10,853	7,240		54·03	
Taloda	17,113	17,823	80	201	4·16	
Tasgaon	4,894	14,041	624	578	13·83	
Trimbak	69,252	22,875	908	4,887	48·7	
Vita	10,284	9,673	25	112	1·72	
Wai	22,891	21,081	80	251	2·61	
Yawal	9,762	21,745	10,547	8,085	64 23	
Yeola	32,794	51,000	19,722	11,277	60·78	
Notified Area Committees.						
Lonand	Nil	1,945	989		67·01	
Talegaon	58	8,979	2,572	662†		
Southern Division.						
Alibag	875	26,876	1,017	1,506	17·45	
Athni	15,056	11,488	5,051	4,487	55·4	

†Does not include arrears of house tax and General or Special Sanitary Cess.
‡The percentage could not be ascertained for the above reasons.

STATEMENT No. XI—*contd.*

Name of District Municipality.	Liabilities.	Assets.	Arrears of taxes and dues.		Percentage of arrears to the total demand.	Remarks.
			(A) Old, i.e., for the years preceding 1938-39.	(B) Current, i.e., for the year 1938-39.		
1	2	3	4	5	6	7
Southern Division—contd.	Rs.	Rs.	Rs.	Rs.		
Bagalkot	19,161	52,639	1,222	2,867	15·08	
Bailhongal	50	17,684	5,067	2,676	54	
Bhatkal	5,547	6,383	775	1,127	28·32	
Byadgi	21,850	30,440	1,943	1,432	34·7	
Chiplun	3,107	86,993	251	1,309	14·7	
Gokak	865	15,582	327	2,527	27	
Gokarn	5,172	4,186	517	487	47·1	
Gudguddapur	Nil.	2,786	.....	...	...	Temporary Municipality.
Guledgud	1,290	19,083	5,590	4,254	42·83	
Haliyal	8,888	12,943	893	3,019	44·93	
Haveri	4,480	36,755	3,747	3,144	29·5	
Honavar	2,232	24,650	7,509	2,986	75·6	
Ilkal	.....	58,712	1,160	2,840	45·15	
Karwar	3,896	14,780	2,593	2,171	26·99	
Kumta	9,352	24,187	1,258	2,214	37·33	
Mahad	82,076	80,698*	162	6	1·86	*Does not include advances.
Malwan	11,408	93,586	3,114	2,594	30·4	
Matheran	1,12,696	2,33,894	619	3,561	9·5	
Nargund	3,994	7,589	1,009	1,543	29·5	
Navalgund	1,844	10,243	1,271	2,868	47·4	
Nipani	1,15,832	1,39,272	7,879	8,013	35·12	
Panvel	8,759	16,276	4,856	4,462	26·92	

STATEMENT NO. XI—*concld.*

Name of District Municipality.	Liabilities.	Assets.	Arrears of taxes and dues.		Percentage of arrears to the total demand.	Remarks.
			(A) Old, i.e., for the years preceding 1938-39.	(B) Current, i.e., for the year 1938-39.		
1	2	3	4	5	6	7
Southern Division—concld.	Rs.	Rs.	Rs.	Rs.		
Pen	1,068	5,377	828	917	14·6	
Ranebennur	35,195	39,118	931	1,390	14·61	
Roha-Ashtami ...	1,502	9,218	2,751	1,557	35·7	
Saundatti	19,794	13,866	615	735	16·22	
Sirsi	44,775	51,963	305	292	7·83	
Ulvi	1,261	4,894	.....	...	...	Temporary Municipality.
Uran	147	19,094	3,479	6,348	53·3	
Vengurla	30,410	84,963	2,676	3,067	53·42	
Notified Area Committees.						
Annigeri	Nil.	3,834	870	409	56·5	
Dapoli	9,289	22,506	58		1·6	
Hungund	Nil.	4,627	382	619	22·39	
Khed	6,791	10,076	Nil.	Nil.	Nil.	
Rajapur	3,748	13,145	1,037	1,598	41·5	

Statement No. XII.

Statement of revenue, establishment charges, percentage of establishment charges to the total revenue of District Municipalities during 1938-39.

Name of the District Municipality.	Total revenue excluding that from extraordinary and debt heads.	Total expenditure excluding that under extraordinary and debt heads.	Total establishment charges relating to :		Percentage of establishment charges to the total revenue.		Percentage of establishment charges to total expenditure.	Remarks.
			(A) Revenue yielding departments.	(B) All departments.	(A) For revenue yielding departments.	(B) For all departments.		
1	2	3	4	5	6	7	8	9
Northern Division.	Rs.	Rs.	Rs.	Rs.				
Anand	40,588	47,008	1,342	13,780	3·3	33·9	29·3	
Ankleshwar	61,421	57,016	3,824	31,754	6·2	51·7	55·7	
Bassein	53,581	60,522	6,545	16,589	12·22	30·96	27·41	
Bhiwandi	56,581	48,493	21,627	28,912	39·9	51·1	59·5	
Borsad	21,366	26,376	324	6,969	1·5	32·6	26·5	
Bulsar	83,994	72,644	3,425	28,470	4·07	33·89	39·19	
Dakore	15,842	17,276	636	4,510	4·01	28·4	26·11	Pilgrim Fund figures are excluded.

Dhanduka	36,281	37,925	1,674	4,805	4·6	13·02	12·7
Dholka	37,053	41,566	4,108	8,550	11·09	23·07	20·5
Dohad	35,660	45,968	1,415	11,580	3·9	32·5	28·6
Ghatkopar	84,081	1,16,285	780	30,631	0·93	36·43	26·34
Godhra	87,050	1,04,823	3,668	8,627	4·3	9·9	8·23
Jambusar	57,549	45,251	3,457	25,015	6·01	43·5	55·3
Juhu	14,541	10,845	962	5,432	6·62	37·35	50·09
Kaira	13,137	12,442	366	6,078	2·79	46·3	48·8
Kalyan	1,30,900	1,12,333	32,575	47,484	24·89	36·28	42·27
Kapadwanj	84,129	87,644	902	35,266	1·07	41·9	41·2
Mehmedabad	25,744	21,591	876	14,199	3·4	55·3	55·1
Modasa	19,829	20,824	794	5,948	4·1	29·1	28·5
Parle-Andheri	1,87,072	1,67,298	20,081	58,776	10·73	31·42	35·38
Prantij	23,874	24,671	1,126	15,359	4·71	64·44	62·38
Rander	61,515	60,529	1,620	11,150	2·63	18·33	18·42
Ranpur	15,184	16,276	1,159	2,762	7·6	18·1	16·9
Sanand	22,113	22,020	838	8,257	4·02	37·34	37·5
Umreth	31,309	34,369	1,020	12,285	3·2	39·2	35·7
Viramgam	73,931	74,166	6,738	10,102	9·11	13·66	13·62

STATEMENT No. XII—*contd.*

Name of the District Municipality.	Total revenue excluding that from extraordinary and debt heads.	Total expenditure excluding that under extraordinary and debt heads.	Total establishment charges relating to :		Percentage of establishment charges to the total revenue.		Percentage of establishment charges to total expenditure.	Remarks.
			(A) Revenue yielding departments.	(B) All departments.	(A) For revenue yielding departments.	(B) For all departments.		
1	2	3	4	5	6	7	8	9
	Rs.	Rs.	Rs.	Rs.				
Notified Area Committees.								
Ambernath	4,375	4,422	660	828	15·09	18·93	18·72	
Borivli	23,312	22,086	2,873	8,342	12·32	35·78	37·77	
Chembur	10,373	10,061	1,180	1,180	11·37	11·37	11·72	
Kandivli	12,089	12,342	1,026	4,586	8·49	37·94	37·16	
Malad ...	24,562	23,780	2,440	9,654	10	39	41	
Mulund	10,847	14,220	1,592	3,975	14·68	36·65	27·95	
Central Division.								
Alandi	41,859	38,546	5,422	9,828	13	23	25	
Ashta	23,708	24,481	1,102	4,589	4·6	19·3	23 2	

Baramati	...	...	55,960	53,645	4,811	20,148	*8·6	36	37·5	
Betavad	...	...	5,027	3,837	.....*	2,148	.....*	42·7	55·9	*There is no separate staff for collection of revenue.
Bhagur	...	...	10,614	11,757	1,726	2,944	16·2	27·7	25·04	
Chopda	...	...	50,078	51,519	3,657	21,251	7·3	42·43	41·24	
Dharangaon	...	...	.....	.....	.....	.....	.....	.....	.....	Audit in arrears.
Dhond	...	...	12,637	12,687	519	4,966	4·1	39·3	39·14	
Erandol	...	...	.....	.....	.....	.....	.....	.....	.....	Do.
Faizpur	...	...	33,710	32,446	3,100	14,840	9·1	44·02	45·7	
Igatpuri	...	...	27,898	30,991	.....*	17,554	.....*	63	57	*There is no separate staff for collection work.
Indapur	...	...	9,099	9,050	1,726	3,718	19	41	41·08	
Islampur	...	...	25,035	20,394	191	4,024	0·76	16·07	19·24	
Jejuri	...	...	12,735	12,627	2,891	7,986	22	62	63	
Junnar	...	...	22,745	35,159	5,029	12,194	22	53	34·68	
Karad	...	...	75,869	69,954	8,398	20,352	11	26·8	29·1	
Karmala	...	...	30,555	25,510	2,488	8,341	8·1	27·3	32·7	
Mahableshwar	...	...	41,983	37,737	1,620	15,552	4	37	46	
Manmad	...	...	27,283	25,195	672	9,246	2	34	40	
Mhaswad	...	...	14,700	17,011	1,226	5,507	9	37	32	

Statement No. XII—*contd.*

Name of the District Municipality.	Total revenue excluding that from extraordinary and debt heads.	Total expenditure excluding that under extraordinary and debt heads.	Total establishment charges relating to :		Percentage of establishment charges to the total revenue.		Percentage of establishment charges to total expenditure.	Remarks.
			(A) Revenue yielding departments.	(B) All department.	(A) For revenue yielding departments.	(B) For all departments.		
1	2	3	4	5	6	7	8	9
Central Division—contd.	Rs.	Rs.	Rs.	Rs.				
Nandgaon	19,884	20,531	2,595	4,969	13	25	37	
Nandurbar	1,15,588	1,13,377	6,202	11,456	5·45	9·91	10·1	
Panchgani	26,087	21,548	938	11,241	4	43	52	
Parola	.....	.....	.....	.....	.....	.....	.....	Audit in arrears.
Rahimatpur	6,537	7,691	1,781	2,219	29	34	29	
Raver	21,442	23,214	780	2,832	3·6	13	12·2	
Sangamner	67,596	56,029	3,211	10,559	5	16	25	
Sangola	13,027	13,619	2,132	7,467	16·37	57·31	54·09	
Saswad	19,720	18,462	2,043	10,542	10·4	53·2	56·6	

Satara Suburban	6,753	6,755	512	2,573	7·6	38·1	45·7	
Savda	36,396	36,495	.....*	4,429	.....*	12·17	12·14	*There is no separate establishment for collection.
Shahada	34,363	31,878	4,237	14,078	12·33	40·68	44·16	
Shirpur	41,495	39,630	2,348	20,209	5·65	48·7	50·99.	
Sindkheda (Defunct) ...	.....	.....	.....	.....	.....	.....	.....	The Municipality was abolished from 1st July 1938.
Sinnar	25,899	25,606	3,482	11,021	13·32	43·39	43·04	
Sirur	21,008	15,654	2,698	8,237	18	29	53	
Talegaon	12,402	12,820	1,716	5,712	14	46	45	
Taloda	23,105	23,276	2,542	4,375	11	18·94	18·8	
Tasgaon	19,578	19,077	1,775	6,586	9	34	34	
Trimbak	22,695	19,608	1,226	3,002	5·4	13·2	15·3	
Vita	18,253	14,976	1,683	4,727	9	25	31	
Wai	37,041	33,858	3,908	12,707	11	36	37	
Yawal	34,783	34,918	3,315	17,992	9·5	51·61	51·38	
Yeola	65,525	68,081	5,596	13,738	9	21	28	
Notified Area Committees :								
Lonand	.....	.....	.....	.....	.....	.....	.....	
Talegaon	1,098	2,508	360	977	34	89	39	

Statement No. XII—*contd.*

Name of the District Municipality.	Total revenue excluding that from extraordinary and debt heads.	Total expenditure excluding that under extraordinary and debt heads.	Total establishment charges relating to :		Percentage of establishment charges to the total revenue.		Percentage of establishment charges to total expenditure.	Remarks.
			(A) Revenue yielding departments.	(B) All departments.	(A) For revenue yielding departments.	(B) For all departments.		
1	2	3	4	5	6	7	8	9
	Rs.	Rs.	Rs.	Rs.				
Southern Division.								
Alibag	22,570	20,736	1,556	8,953	6·9	39·7	43·2	
Athni	29,711	25,391	2,809	10,164	11	34	40	
Bagalkot	90,015	88,168	5,468	15,571	6·1	17·3	17·5	
Bailhongal	30,054	27,539	2,537	9,236	8·44	30·73	33·54	
Bhatkal	17,409	18,229	2,298	3,893	12·6	22·4	20·8	
Byadgi	33,608	33,835	2,366	11,787	7·04	35·07	34·84	
Chiplun	71,804	42,539	4,554	17,375	6·3	24·2	40·9	
Gokak	36,318	34,908	2,600	22,386	7·16	61·5	63·99	
Gokarn	5,245	5,753	889	1,452	16·9	27·7	25·24	

Gudguddapur	...	...	2,852	2,576	155	958	5·43	33·6	37·19
Guledgud	...	...	41,366	40,270	3,024	8,832	7·3	21·3	21·9
Halyal	...	...	21,297	18,706	2,166	8,974	11·6	42·1	48
Haveri	...	...	53,126	46,290	7,658	24,496	14·4	46·1	53
Honavar	...	...	14,799	18,550	2,686	6,402	18·15	43·26	34·51
Ilkal	...	...	29,123	26,743	2,893	3,450	9·9	21·7	23·7
Karwar	...	...	35,342	32,899	4,567	12,052	13	34	36·63
Kumta	...	...	29,270	29,259	4,263	11,020	14·6	37·7	37·64
Mahad	...	...	33,144	26,121	5,751	9,988	17·3	30·1	38·3
Malwan	...	...	39,264	31,439	2,846	19,859	7·24	50·9	63
Matheran	...	...	57,709	57,880	2,773	22,574	4·8	39·1	39
Nargund	..	...	20,251	22,173	1,480	4,289	7·3	20·9	19·1
Navalgund	...	...	14,655	17,581	1,895	3,339	12·9	22·8	19
Nipani	...	...	1,05,880	86,080	4,892	40,753	6	38	47·34
Panvel	...	...	41,536	39,629	4,421	15,328	10·7	37·1	38·8
Pen	...	...	21,180	19,819	4,333	9,614	20·4	45·4	48·3
Ranebennur	...	...	50,822	52,533	5,637	15,598	11	30·7	29·7
Roha-Ashtami	...	...	16,759	17,794	1,293	4,979	7·7	29·7	27·98
Saundatti	...	...	42,424	27,513	3,361	7,112	7·9	16·7	38·06

STATEMENT XII—*concld.*

Name of the District Municipality.	Total revenue excluding that from extraordinary and debt heads.	Total expenditure excluding that under extraordinary and debt heads.	Total establishment charges relating to :		Percentage of establishment charges to the total revenue.		Percentage of establishment charges to total expenditure.	Remarks.
			(A) Revenue yielding departments.	(B) All departments.	(A) For revenue yielding departments.	(B) For all departments.		
1	2	3	4	5	6	7	8	9
Southern Division—contd.	Rs.	Rs.	Rs.	Rs.				
Sirsi	58,544	55,300	5,866	30,434	10·02	52	55·03	
Ulvi	1,407	800	112	303	7·96	21·54	37·88	
Uran	15,891	17,604	3,659	7,877	21·83	46·94	44·75	
Vengurla	37,920	37,815	1,780	11,626	6·4	31	31	
Notified Area Committees.								
Annigeri	2,660	3,580	720	916	27	34·4	26	
Dapoli	9,962	6,729	1,414	4,475	14·19	44·9	66·5	
Hungund	3,341	3,038	513	907	15·4	27·1	30	
Khed	25,815	14,074	2,076	5,593	8·04	21·7	39	
Rajapur	21,287	16,907	1,671	7,028	7·9	33·1	41·6	

STATEMENT NO. XIII.

Municipal and Cantonment School Boards—Their total income, expenditure and the amount of expenditure held in audit to be admissible for Government grant during 1938-39.

Name of Municipal School Board.	Income.	Expenditure.	Amount of expenditure held in audit to be admissible for Government grant.	Remarks.
1	2	3	4	5
Bombay Division.	Rs.	Rs.	Rs.	
Bandra	94,235	93,091	63,256	
Chiplun	5,052	5,958	5,529	
Kalyan	5,635	10,190	9,528	
Malegaon	57,174	57,261	53,035	
Nasik	81,871	79,627	73,036	
Thana	9,574	14,822	11,435	
Vengurla	5,289	6,267	6,123	
Northern Division.				
Ahmedabad	16,95,158	15,88,745	4,72,192	
Broach	73,473	77,264	73,758	
Bulsar	10,109	10,607	10,132	
Dohad	8,268	10,283	9,806	
Godhra	10,873	11,058	10,419	
Nadiad	64,142	64,136	62,683	
Rander	5,288	5,407	4,503	For the period from 1st April 1938 to 3rd June 1938.
Surát	2,79,585	2,63,597	2,40,983	
Viramgam	12,333	10,534	9,770	
Central Division.				
Ahmednagar	1,07,263	1,05,395	91,763	
Amalner	50,470	47,959	45,211	
Baramati	5,673	7,255	7,026	
Barsi	11,199	14,516	11,862	
Dhulia	89,890	87,643	80,931	
Jalgaon	70,757	71,020	57,827	

STATEMENT No. XIII—*contd.*

Name of Municipal School Board.	Income.	Expenditure.	Amount of expenditure held in audit to be admissible for Government grant.	Remarks.
1	2	3	4	5
	Rs.	Rs.	Rs.	
Central Division—contd.				
Lonavla	6,854	5,914	4,852	
Nandurbar	8,748	9,568	8,233	
Pandharpur	12,514	17,416	15,035	
Poona City	3,66,564	3,92,554	3,02,115	
Poona Suburban ...	6,301	6,755	5,234	
Satara	47,669	47,892	47,223	
Sholapur	1,95,492	1,92,493	1,46,069	
Southern Division.				
Bagalkot	7,273	12,746	11,934	
Bijapur	85,262	84,581	74,824	
Dharwar	69,897	78,240	56,898	
Gadag	65,877	67,559	60,854	
Hubli	1,26,601	1,25,025	1,14,890	
Nipani	8,201	8,201	7,182	
Cantonment Boards.				
Ahmedabad	1,312	1,312	1,266	
Ahmednagar	10,221	10,221	9,452	
Belgaum	5,069	5,069	4,752	
Deolali	6,050	6,050	2,937	
Kirkee	2,050	2,050	1,335	
Poona	19,716	19,716	19,716	

STATEMENT No. XIV.

District School Boards—Their total income, expenditure and the amount of expenditure held in audit to be admissible for Government grant during 1938-39.

Name of District School Board.	Income.	Expenditure.	Amount of expenditure held in audit to be admissible for Government grant.	Remarks.
1	2	3	4	5
	Rs.	Rs.	Rs.	
Bombay Division.				
Bombay Suburban District.	1,25,409	1,46,594	76,699	
Kolaba	3,56,225	3,89,168	3,73,208	
Nasik	5,33,688	5,30,963	4,92,129	
Ratnagiri	6,19,722	6,17,178	6,00,651	
Thana	5,54,978	6,01,655	4,79,180	
Northern Division.				
Ahmedabad	5,92,769	5,34,445	5,08,568	
Broach	3,98,918	3,79,446	3,39,691	
Kaira	7,22,425	6,80,824	6,26,129	
Panch Mahals ...	2,59,758	2,63,987	2,54,308	
Surat	6,15,015	6,12,181	5,86,934	
Central Division.				
Ahmednagar ...	8,59,644	8,15,258	5,93,626	
East Khandesh ...	12,03,526	12,35,417	9,66,490	
Poona	7,38,508	6,59,159	6,12,957	
Satara	11,72,803	11,20,444	9,10,150	
Sholapur	5,14,319	4,90,438	4,16,544	
West Khandesh ...	5,52,487	5,07,350	4,33,584	
Southern Division.				
Belgaum	8,01,142	8,19,115	7,02,492	
Bijapur	8,41,217	7,10,222	4,99,263	
Dharwar	7,15,363	7,98,817	7,84,252	
Kanara	3,78,854	3,55,746	3,33,081	

APPENDIX IV.

List of Local Bodies which did not submit replies to audit notes within three months as required by section 10 (1) of the Local Fund Audit Act, 1930.

Division.	District.	Name of Local Body.	Period of audit.	Date of issue of audit note.	Due date of receipt of replies in this office.	Actual date of receipt of replies.
1	2	3	4	5	6	7
		Part I—Municipal Boroughs.				
Northern	... Ahmedabad ...	Ahmedabad	1937-38	7-8-1939	7-11-1939	17-1-1940
Do.	... Bombay Suburban District.	Kurla	1937-38 and 1938-39.	15-7-1939	15-10-1939	24-2-1940
Do.	... Surat ...	Surat	1937-38	13-2-1939	13-5-1939	25-5-1939
Do.	... Thana ...	Thana	1937-38 and 1938-39.	28-9-1939	28-12-1939	3-1-1940
Central	... East Khandesh ...	Jalgaon	1937-38 and 1938-39.	19-8-1939	19-11-1939	3-1-1940
Do.	... Poona ...	Lonavla	1937-38 and 1938-39.	3-7-1939	3-10-1939	5-2-1940
Do.	... Nasik ...	Nasik	1934 to 1939 (audit of expenditure on office building).	27-6-1939	27-9-1939	4-12-1939
Do.	... Poona ...	Poona City...	1937-38	1-5-1939	1-8-1939	27-10-1939
Do.	... Satara ...	Satara City...	1937-38 and 1938-39.	23-9-1939	23-12-1939	4-1-1940
Do.	... Sholapur ...	Sholapur	1937-38	16-1-1939	16-4-1939	11-5-1939

Southern	... Belgaum ...	Belgaum	1937-38 and 1938-39.	28-11-1939	28-2-1940	12-3-1940
Do.	... Bijapur ...	Bijapur	1937-38	27-3-1939	27-6-1939	1-2-1940
Do.	... Dharwar ...	Dharwar	1937-38	23-9-1939	23-12-1939	Not received.
Do.	... Do. ...	Gadag	1937-38	9-5-1939	9-8-1939	14-8-1939
Do.	... Do. ...	Hubli	1937-38	23-2-1939	23-5-1939	1-8-1939
		Part II—District Municipalities and Notified Area Committees.				
Northern	... Kaira ...	Anand	1937-38	31-3-1939	30-6-1939	15-7-1939
Do.	... Thana ...	Bassein	1937-38	27-5-1939	27-8-1939	25-9-1939
Do.	... Do. ...	Bhiwandi	1937-38	1-6-1939	1-9-1939	27-9-1939
Do.	... Do. ...	Do.	1938-39	18-11-1939	18-2-1940	2-8-1940
Do.	... Broach and Panch Mahals.	Dohad	1937-38	21-1-1939	21-4-1939	28-6-1939
Do.	.. Bombay Suburban District.	Ghatkoper	1937-38	9-5-1939	9-8-1939	14-8-1939
Do.	... Do. ...	Juhu	1937-38	27-3-1939	27-6-1939	4-7-1939
Do.	... Ahmedabad ...	Kankaria Notified Area Committee.	1936-37 to 31-1-1939.	23-5-1939	23-8-1939	6-11-1939
Do.	... Do. ...	Modasa	1937-38 and 1938-39.	29-7-1939	29-10-1939	11-3-1940
Do.	... Do. ...	Sanand	1937-38 and 1938-39.	21-11-1939	21-2-1940	6-4-1940

APPENDIX IV—*contd.*

Division.	District.	Name of Local Body.	Period of audit.	Date of issue of audit note.	Due date of receipt of replies in this office.	Actual date of receipt of replies.
1	2	3	4	5	6	7
		Part II—District Municipalities and Notified Area Committees —contd.				
Northern—*contd.* ...	Kaira ...	Umreth	1937-38	10-3-1939	10-6-1939	11-8-1939
Central ...	Poona ...	Baramati	1937-38 and 1938-39.	1-11-1939	1-2-1940	Not received.
Do. ...	East Khandesh ...	Faizpur	1938-39	30-11-1939	29-2-1940	23-4-1940
Do. ...	Poona ...	Jejuri	1937-38	15-5-1939	15-8-1939	22-8-1939
Do. ...	Satara ...	Karad	1936-37 and 1937-38.	18-5-1939	18-8-1939	18-4-1940
Do. ...	Sholapur ...	Karmala	1937-38 and 1938-39.	24-10-1939	24-1-1940	20-5-1940
Do. ...	Satara ...	Lonand Notified Area Committee ...	1936-37 to 1938-39.	12-6-1939	12-9-1939	15-11-1939
Do. ...	Do. ...	Mahabaleshwar	1937-38	1-3-1939	1-6-1939	14-6-1939
Do. ...	Do. ...	Panchgani	1937-38	20-3-1939	20-6-1939	5-7-1939

Do.	... East Khandesh	... Parola	1937-38	10-3-1939	10-6-1939	23-6-1939
Do.	... Ahmednagar	... Sangamner ...	1937-38 and 1938-39.	26-8-1939	26-11-1939	31-1-1940
Do.	... Poona	... Sirur	1937-38	4-1-1939	4-4-1939	26-5-1939
Do.	... Satara	... Wai	1937-38	24-3-1939	24-6-1939	16-9-1939
Southern	... Dharwar	... Annigeri Notified Area Committee.	1937-38	12-4-1939	12-7-1939	17-7-1939
Do.	... Belgaum	... Athni	1937-38	18-5-1939	18-8-1939	11-1-1940
Do.	... Do.	... Bailhongal	1937-38	17-3-1939	17-6-1939	30-8-1939
Do.	... Dharwar	... Byadgi	1937-38 and 1938-39.	22-7-1939	22-10-1939	28-11-1939
Do.	... Ratnagiri	... Chiplun	1937-38	27-1-1939	27-4-1939	11-12-1939
Do	... Kanara	... Gokarn	1937-38	27-3-1939	27-6-1939	31-8-1939
Do.	... Do.	.. Do.	1938-39	15-7-1939	15-10-1939	18-3-1940
Do.	... Bijapur	... Guledgud	1937-38	13-3-1939	13-6-1939	22-8-1939
Do.	... Kanara	... Halyal	1937-38	28-3-1939	28-6-1939	12-8-1939
Do.	... Do	... Honavar	1937-38	20-3-1939	20-6-1939	27-10-1939
Do.	... Do.	... Do.	1938-39	11-10-1939	11-1-1940	15-7-1940
Do.	... Bijapur	... Hundgund Notified Area Committee.	1937-38	25-2-1939	25-5-1939	17-8-1939
Do.	... Kanara	... Karwar	1937-38 and 1938-39.	12-12-1939	12-3-1940	26-3-1940

APPENDIX IV—*contd.*

Division.	District.	Name of Local Body.	Period of audit.	Date of issue of audit note.	Due date of receipt of replies in this office.	Actual date of receipt of replies.
1	2	3	4	5	6	7
		Part II—District Municipalities and Notified Area Committees —contd.				
Southern—*contd.*	... Kanara	... Kumta	1938-39	2-11-1939	2-2-1940	26-2-1940
Do.	... Ratnagiri	... Malwan	1937-38	8-3-1939	8-6-1939	12-6-1939
Do.	... Dharwar	... Nargund	1937-38	10-5-1939	10-8-1939	20-12-1939
Do.	... Belgaum	... Nipani	1937-38	27-5-1939	27-8-1939	18-11-1939
Do.	... Kolaba	... Pen	1937-38	13-3-1939	13-6-1939	3-7-1939
Do.	... Do.	... Do.	1938-39	30-10-1939	30-1-1940	12-2-1940
Do.	... Ratnagiri	... Rajapur Notified Area Committee ...	1938-39	18-5-1939	18-8-1939	8-9-1939
Do.	... Belgaum	... Saundatti	1937-38	24-4-1939	24-7-1939	14-9-1939
Do.	... Ratnagiri	... Vengurla	1937-38	10-3-1939	10-6-1939	16-6-1939

		Part III—District Local Boards.					
Northern	Ahmedabad	Ahmedabad	1937-38	24-2-1939	24-5-1939	23-6-1939	
Do.	Broach	Broach	1937-38	3-4-1939	3-7-1939	20-7-1939	
Do.	Thana	Thana	1937-38	11-2-1939	11-5-1939	BdEA 20-6-1939	
Central	Ahmednagar	Ahmednagar	1937-38	9-5-1939	9-8-1939	15-8-1939	
Do.	East Khandesh	East Khandesh	1937-38	5-6-1939	5-9-1939	11-12-1939	
Do.	Satara	Satara	1937-38	4-4-1939	4-7-1939	1-9-1939	
Southern	Belgaum	Belgaum	1937-38 and 1938-39.	2-11-1939	2-2-1940	22-4-1940	
Do.	Bijapur	Bijapur	1938-39	8-11-1939	8-2-1940	21-2-1940	
Do.	Dharwar	Dharwar	1937-38	10-5-1939	10-8-1939	12-9-1939	
Do.	Kolaba	Kolaba	1938-39	30-10-1939	30-1-1940	5-2-1940	
Do.	Ratnagiri	Ratnagiri	1937-38	13-3-1939	13-6-1939	22-6-1939	
		Part IV—District School Boards.					
Northern	Ahmedabad	Ahmedabad	1938-39	16-11-1939	16-2-1940	19-3-1940	
Central	East Khandesh	East Khandesh	1938-39	21-12-1939	21-3-1940	26-3-1940	
Do.	Satara	Satara	1937-38	13-2-1939	13-5-1939	20-7-1939	
Do.	West Khandesh	West Khandesh	1938-39	16-11-1939	16-2-1940	21-2-1940	

APPENDIX IV—*concld.*

Division.	District.	Name of Local Body.	Period of audit.	Date of issue of audit note.	Due date of receipt of replies in this office.	Actual date of receipt of replies.
1	2	3	4	5	6	7
		Part IV—District School Boards —contd.				
Southern	... Belgaum	... Belgaum	1938-39	9-10-1939	9-1-1940	24-1-1940
Do.	... Kanara	... Kanara	1938-39	16-11-1939	16-2-1940	2-3-1940
		Part V—Municipal School Boards.				
Northern	... Ahmedabad	... Ahmedabad	1937-38	21-1-1939	21-4-1939	17-5-1939
Do.	... Do.	... Do.	1938-39	23-10-1939	23-1-1940	16-2-1940
Do.	... Do.	... Viramgaon	1938-39	26-10-1939	26-1-1940	20-7-1940
Central	... West Khandesh	... Nandurbar	1938-39	26-11-1939	16-2-1940	21-2-1940
Do.	... Nasik	... Nasik	1938-39	3-7-1939	3-10-1939	18-11-1939
Southern	... Dharwar	... Hubli	1938-39	26-10-1939	26-1-1940	16-2-1940

APPENDIX V.

PART I.

List of local bodies which created posts without the sanction of competent authorities under the respective Acts.

Name of Local Authority.	Number and nature of the posts created without sanction.	Section of the relevant Act under which sanction of higher authority was required.
Northern Division.		
Ahmedabad Municipal Borough.	1 English Class Teacher ... 2 Cycle allowances of Rs. 5 each to two English Class Teachers. 1 Shastri for "Pathshala". 1 Librarian.	Section 59 (2) of the Municipal Boroughs Act, 1925.
Bulsar Municipality.	7 Additional Bhangis ...	Proviso (*a*) to section 46 (*b*) (*ii*) of the District Municipal Act, 1901.
Kankaria Notified Area Committee.	1 Overseer on Rs. 60 ... 1 Peon.	Collector's sanction to continue them beyond the period of the temporary appointment was not obtained as required by the Rules.
Nadiad Municipal Borough.	4 Cattle Catchers ...	Section 59 (2) of the Municipal Boroughs Act.
Prantij Municipality.	1 Terminal-tax Naka peon.	Proviso (*a*) to section 46 (*b*) (*ii*) of the District Municipal Act, 1901.
Sanand Municipality.	1 Water-bearer on Rs 8 per mensem.	Do.
Viramgam Municipality.	Election Clerks ... 1 Encroachment peon.	Do.

APPENDIX V—*contd.*

Name of Local Authority.	Number and nature of the posts created without sanction.	Section of the relevant Act under which sanction of higher authority was required.
Central Division.		
Ahmednagar District School Board.	28 Additional Teachers ...	Primary Education Rule 4 (1).
Ahmednagar Municipal Borough.	2 Additional "Katchra" Cartmen.	Section 59 (*2*) of the Municipal Boroughs Act, 1925.
	2 Additional "Katchra" Cart-labourers.	
Baramati Municipality.	1 Temporary Clerk ...	Proviso (*a*) to section 46 (*b*) (*ii*) of the District Municipal Act, 1901.
Faizpur Municipality.	1 Temporary lighting peon.	Do.
Karad Municipality.	1 Dai ...	Do.
	1 Ward boy.	
Karmala Municipality.	1 Night duty allowance of Rs. 10 per mensem to Engineer.	Do.
Malegaon Municipal Borough.	1 Teacher on Rs. 70—4—110.	Section 59 (*1*) of the Municipal Boroughs Act, 1925.
	1 Clerk for census of unvaccinated persons.	Section 59 (*2*) of the Municipal Boroughs Act, 1925.
	1 Peon for census of unvaccinated persons.	Do.
	1 Additional sweeper ..	Do.
	1 Additional peon ...	Do.
	3 Additional Naka clerks...	Do.
	1 Arabic teacher on Rs. 10 per mensem.	Do.
	Appointment of an unqualified person to the post of a clerk.	Do.

APPENDIX V—*contd.*

Name of Local Authority.	Number and nature of the posts created without sanction.	Section of the relevant Act under which sanction of higher authority was required.
Central Division —contd.		
Poona City Municipal Borough.	1 Pleader's post on a time-scale of Rs. 100—5—200.	Section 59 (*1*) of the Municipal Boroughs Act.
Sangamner Municipality.	1 Additional Octroi Inspector.	Proviso (*a*) to section 46 (*b*) (*ii*) of the District Municipal Act, 1901.
	Appointment of a clerk on Rs. 25 in the scale of Rs. 20—3/4—35.	Proviso (*a*) to section 46 (*b*) (*ii*) of the District Municipal Act, 1901. (The pay does not fit in any stage of the sanctioned time-scale.)
Sangola Municipality.	1 Additional Clerk ...	Proviso (*a*) to section 46 (*b*) (*ii*) of the District Municipal Act, 1901.
Shahada Municipality.	4 Additional teachers for the English High School. (*N.B.*—The Commissioner has already refused his sanction)	Do.
Shirpur Municipality.	10 Additional posts ...	Do.
Trimbak Municipality.	2 Naka Clerks on Rs. 7-8-0 each against 1 post of Rs. 15 sanctioned by the Commissioner, C. D.	Do.
Yeola Municipality.	6 Additional teachers for the English High School.	Do.
	1 Allowances of Rs. 5 per mensem up to 31st July 1938 and of Rs. 8 per mensem thereafter to a High School teacher.	Do.

APPENDIX V—*contd.*

Name of Local Authority.	Number and nature of the posts created without sanction.	Section of the relevant Act under which sanction of higher authority was required.
Central Division. —concld.		
Yeola Municipality—*contd.*	1 Payment at Rs. 55 per mensem instead of at Rs. 50, the maximum of his post to a teacher.	Proviso (*a*) to section 46. (*b*) (*ii*) of the District Municipal Act, 1901.
	1 Case-writer for the Dispensary at Rs. 15 per mensem.	Do.
	1 Dispensary servant at Rs. 13 per mensem.	Do.
	Payment at Rs. 12 per mensem to the Dispensary Sweeper instead of at Rs. 6 per mensem as sanctioned by the Commissioner.	Do.
Southern Division.		
Alibag Municipality.	2 Additional Nakedars from 1st October 1938.	Do.
	1 Lamp-lighter from 10th July 1938 to 30th September 1938.	Do.
Athni Municipality.	1 Octroi Inspector at Rs. 20.	Do.
	1 Clerk on Rs. 10 from 18th January 1939 to 28th February 1939.	Do.
Bijapur District School Board.	3 Additional teachers ...	Do.
Bijapur Municipal Borough.	1 Meter Clerk ...	Section 59 (2) of the Municipal Boroughs Act.
	1 Store Clerk ... (The posts were continued beyond the period of their temporary appointments without the sanction of the Municipal Borough.)	

APPENDIX V—*contd.*

Name of Local Authority.	Number and nature of the posts created without sanction.	Sanction of the relevant Act under which sanction of higher authority was required.
Southern Division —contd.		
Chiplun Municipality.	1 Election Clerk. (Temporary).	Proviso (*a*) to section 46 (*b*) (*ii*) of the District Municipal Act, 1901.
Haliyal Municipality.	2 Male sweepers at Rs. 12 per mensem each against 2 posts of female sweepers at Rs. 8-10-0 each.	Do.
	3 Additional sweepers at Rs. 8 per mensem each.	Do.
	1 Sweeper at Rs. 2 per mensem.	Do.
Hungund Notified Area Committee.	1 Lamp-Lighter at Rs. 11 per mensem against the sanctioned one of Rs. 9 per mensem.	Sanction of the Collector was not obtained as required by the rules.
Ilkal Municipality.	3 Temporary coolies on daily wages throughout the year.	Proviso (*a*) to section 46 (*b*) (*ii*) of the District Municipal Act, 1901.
Mahad Municipality.	2 Bhangis for removing sullage water on payment of Rs. 5 each per mensem.	Do.
	1 Naka peon at Rs. 10 per mensem.	Do.
Nargund Municipality.	4 Watchmen ...	Do.
Vengurla Municipality.	1 Temporary Clerk at Rs. 20 per mensem.	Do.
	1 Temporary Sanitary Inspector at Rs. 45 per mensem.	Do.
	1 Driver at Rs. 20 per mensem.	Do.

APPENDIX V.

PART II.

List of local bodies which paid their employees at less than the sanctioned scales or graded pay and withheld increments without recording reasons.

Name of Local Body.	Details.
Northern Division.	
Kalyan Municipality ...	Appointments to 58 out of 98 posts on the conservancy establishment were made on less than the minimum pay. The members of the conservancy staff were not admitted to the benefits of the provident fund and leave rules.
Dhanduka Municipality ...	The terminal tax clerks were paid at Rs. 10 per mensem instead of at Rs. 12 per mensem.
Central Division	
Islampur Municipality ...	The increments due to all members of the staff except a single lamp-lighter were withheld.
Jalgaon Municipal Borough.	The pay and the time-scales of the posts, of the Ayurvedic Medical Officer and of the Compounder were reduced
Manmad Municipality ...	The Secretary and a river watchman were appointed on less than the minimum pay and the increments due to the Secretary, the Sanitary Inspector and a river watchman were withheld without valid reasons.
Nasik Municipal Borough .	4 Members of the staff were paid at less than the minimum pay of the posts held by them.
Poona City Municipal Borough.	The pay and the time-scales of the posts of the Accountant and of the Auditor were reduced.
Rahimatpur Municipality .	The office clerk, the peon, the Kamathi and three nakedars were paid less than the minimum of the time-scales applicable to the posts held by them.
Shahada Municipality ...	The Secretary, three nakedars and a peon were paid less than the minimum of the time-scales of pay applicable to their posts. Increments due to the Octroi Inspector, the Birth-and-Death Registration clerk and others were withheld indefinitely without any valid reasons.

APPENDIX V—*contd.*

Name of Local Body.	Details.
Central Division—contd.	
Trimbak Municipality ...	A cut of 5 per cent. to 15 per cent. in the pay of the staff was introduced and deductions on account of provident fund were based on the reduced pays.
Southern Division.	
Athni Municipality ...	The Sanitary Inspector, three clerks, one maistry, one nakedar, three peons two lamp-lighters and one another employee—in all twelve members of the staff—were paid less than the minimum of the time-scales of pay applicable to their posts.
Bail-Hongal Municipality .	Increments due to all members of the staff for the last several years were not paid.
Gadag Betgeri Municipal Borough.	Reduction in the pay, and the time-scale applicable to the post of the Lady Doctor in charge of the Maternity Hospital.
Haveri Municipality ...	Cut was applied to the pay of the staff since 1931. The cycle and other allowances to the Secretary, the Sub-Overseer, the Octroi Inspector and the Sanitary Inspector were discontinued.
Malwan Municipality ...	Increments due to two lamp-lighters and two peons were withheld without valid reasons.
Panvel Municipality ...	The Secretary, three vasuli karkuns, the Fire Mukadam, etc. were paid less than their graded pay.
Saundatti-Yellamma Municipality.	Increments due to the midwife were withheld without valid reasons.
Sirsi Municipality ...	Cut of over 9 and 18 per cent. in the pay of members of the staff drawing more than Rs. 30 and Rs. 50 respectively.

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on 11 July, 2017

APPENDIX VI.

List of local bodies which did not invest their Pension or Provident Fund accumulations in Public Securities specified in section 20 of the Indian Trusts Act.

Northern Division.

Ahmedabad District School Board.
Ahmedabad Municipal School Board.
Bulsar Municipality.
Kalyan Municipality.
Thana District School Board.

Central Division.

Ahmednagar District School Board.
Ahmednagar Municipal School Board.
Chopda Municipality.
Faizpur Municipality.
Igatpuri Municipality.
Jalgaon Municipal Borough.
Malegaon Municipal School Board.
Mhaswad Municipality.
Nasik Municipal School Board.
Satara District School Board.
Savda Municipality.
Trimbak Municipality.

Southern Division.

Belgaum District Local Board.
Belgaum District School Board.
Bijapur District Local Board.
Bijapur Municipal Borough.
Byadgi Municipality.
Dharwar District School Board.
Dharwar Municipal School Board.
Gadag-Betgeri Municipal Borough.
Guledgud Municipality.
Karwar Municipality.
Kolaba District Local Board.
Nipani Municipality.
Ranebennur Municipality.
Saundatti-Yellama Municipality.

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